







**REPORT**  
**ON**  
**SURVEY OF LABOUR CONDITIONS**  
**IN**  
**SUGAR FACTORIES IN INDIA**



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**MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION**  
**GOVERNMENT OF INDIA**





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## PREFACE

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever since India entered the industrial field over a century ago. Today, this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present-day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan, and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This report presents data regarding the sugar factories covered under the Scheme during 1962.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a Survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost

to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their wholehearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other Officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the Schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U. K., Economics and Research Branch, Department of Labour Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey, the requisite technical advice was provided to him by other officers at the Headquarters.

This report was drafted by Dr. J. N. Mongia, who received valuable assistance from Shri K. L. Lamba, Investigator Grade I. Sarvashri Ramesh Madan and Dila Ram, Computers, assisted in computation of data. The field investigations were carried out by Sarvashri V. S. Rao, S. K. Rao, P. C. Agarwal, K. C. Agarwala, S. M. Shinh, A. K. Anand, R. D. Aggarwal, A. S. Parmar and P. Venkataraman under the supervision of Sarvashri K. Lakshminarayanan, Kirpal Singh and Harbans Singh. Shri K. D. Chatterjee, Senior Deputy Director took considerable pains in going through the Report and suggesting improvements in the analysis and presentation of data in the Report. To these all my thanks are due.

The views expressed in this Report are not those of the Ministry of Labour, Employment and Rehabilitation, (Department of Labour and Employment), Government of India.

**K. C. SEAL**

*Director*

**LABOUR BUREAU, SIMLA**

*Dated the 7th April, 1966*

## CHAPTER I

### INTRODUCTION

It has been well said that among the few fashions that are not folly is the one of evaluating an industry on the basis of its contribution to a country's economy. Sugar spans two vital sectors : agriculture and industry.

In both North and South India, sugarcane occupies a principal position in the rotation of crops. Indeed in several parts of U. P. and Bihar, which together are responsible for the bulk of the country's output, cultivation of sugarcane provides the structural frame work into which the cultivation of subsidiary crops is fitted. In other words, it is almost a system of monoculture and is an integral part of the rural economy of the country. The Industry is claimed to be the second largest in the country, being next only to the cotton textile industry. The claim is based on the extent of labour employed, the amount of capital invested and the value of output. In terms of employment, to about 20 million people scattered all over India, cultivation of sugarcane is the principal means of livelihood. On the manufacturing side, the Industry provides employment to one to two lakhs of workers, varying, of course, from year to year.

#### *1.1. Growth and Location of the Industry—*

Growing of sugarcane and manufacture of sugar therefrom have been practised in India from a very early period. But, the Industry in the modern sense is a relatively of recent growth. Precise information as to the year and place in which the first sugar mill was established in India is not readily available. Wherever the origin might have been, to Bihar and U. P. must go largely the credit for the expansion that has since taken place.

Reduction of imports during World War I assisted the growth of the Industry, though the results were not quite appreciable. Progress may be said to have been only in 1932 when the Government of India adopted a policy of discriminating protection which virtually closed the door for imports and ushered in an era of expansion of the area under sugarcane and the development of the home Industry. The Tariff Board (1931) recommended protection for a period of 15 years. As a result of the protection, the area under sugarcane increased considerably, and from a country mainly dependent on imports, (the bulk of which came from Java) during the 12 years preceding protection India has become one of the large producers of sugar in the world with an output in excess of its requirements. From only 31 factories in 1931-32 producing about 0.16 million tons, the number increased within four years to 140 with an output of over a million tons. However, in 1950 the Tariff Board recommended withdrawal of protection which was accepted by Government. It is significant that notwithstanding the partition of the country in 1947, the number of sugar factories (vacuum pan) stood at 171 in 1959-60.

Taking into account all the sugar factories registered under the Factories Act, 1948, there were 390 sugar factories in the country during 1962 with an average daily employment of about 1·26 lakh workers.

Statement 1·1 shows the State-wise distribution of sugar factories together with the average number of workers employed therein during 1962.

STATEMENT 1·1

*State-wise Distribution of Sugar Factories\* and Number of Workers Employed Therein*  
 • (During 1962)

Serial No.	State						Number of Factories	Average Daily Employment
1	2						3	4
1	Andhra Pradesh	..	..	..	..	..	31 (7·9)	8,218 (6·5)
2	Assam	..	..	..	..	..	1 (0·3)	391 (0·3)
3	Bihar	..	..	..	..	..	38 (9·7)	21,836 (7·3)
4	Gujarat	..	..	..	..	..	3 (0·8)	1,445 (1·2)
5	Himachal Pradesh	..	..	..	..	..	1 (0·3)	44 (0·0)
6	Kerala	..	..	..	..	..	1 (0·3)	555 (0·4)
7	Madras	..	..	..	..	..	10 (2·6)	5,304 (4·2)
8	Madhya Pradesh	..	..	..	..	..	7 (1·8)	3,326 (2·6)
9	Maharashtra	..	..	..	..	..	27 (6·9)	13,111 (10·4)
10	Mysore	..	..	..	..	..	8 (2·0)	5,298 (4·2)
11	Orissa	..	..	..	..	..	1 (0·3)	144 (0·1)
12	Punjab	..	..	..	..	..	15 (3·8)	4,134 (3·3)
13	Rajasthan	..	..	..	..	..	9 (2·3)	933 (0·8)
14	Uttar Pradesh	..	..	..	..	..	236 (60·5)	60,709 (48·2)
15	West Bengal	..	..	..	..	..	2 (0·5)	626 (0·5)
Total						..	390 (100·0)	1,26,074 (100·0)

\*Registered under the Factories Act, 1948.

Note—Figures within brackets indicate percentages to total.

Source—Annual Returns under the Factories Act, 1948.

This Industry emphasises perhaps more than any other the need for regulating location. The Tariff Board of 1939 had pointed out that tropical regions were better suited for sugarcane cultivation than the sub-tropical regions, yet it is found that the Industry is heavily concentrated in U.P. and Bihar. It would be seen from the Statement 1·1 that, Uttar Pradesh alone accounts for about 61 per cent. of the total number of factories and about

48 per cent. of the total average daily employment in the Industry. Bihar comes next, accounting for about 17 per cent. of the total employment in the Industry. Other States where the number of workers employed in Sugar Industry was considerable, were Maharashtra, Andhra Pradesh, Madras, Mysore, Punjab and Madhya Pradesh.

### 1.2. *Genesis of the Survey* -

The first comprehensive survey of conditions of labour in various industries in India on a country-wide basis was conducted by the Royal Commission on Labour during 1929-31. Its report and findings formed the basis of various ameliorative measures. After a lapse of over a decade, *i.e.*, in 1944, the Government of India appointed another Committee, *viz.*, the Labour Investigation Committee, to enquire into the conditions of Labour in all important industries. The Committee conducted detailed investigations in 38 industries, including the Sugar Industry, during 1944-45 and, besides a main report on Labour Conditions in general, published individual reports in respect of various industries. These reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Ministry of Labour and employment, Government of India, as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of the various measures adopted in the past and obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan, and the Labour Bureau was entrusted with the execution of the scheme.

### 1.3. *Scope and Design*—

A note attached to the Report (Appendix) gives details relating to the sample design and method of estimation adopted. The Survey was confined to sugar factories registered under the Factories Act, 1948. Since there was high concentration of sugar factories in U.P., Bihar, Maharashtra and Southern India, it was considered desirable to obtain separate information for them and hence they were treated as separate regional strata. All other sugar factories or areas were clubbed together to form the Residual Stratum.

Earlier investigations had indicated the existence of wide variations in conditions of work and standard of welfare and amenities, *etc.*, in the establishments of different size groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of resources available and from the point of view of practicability, it was decided that for the purposes of the Survey, sugar factories may be



divided into two size-groups—large and small\*. For this purpose, the cut-off point chosen was 355 which was approximately equal to the average size of employment. The sampling fraction adopted was 25 per cent. for large factories and 16·7 per cent. for small factories in all the centres excepting Southern-India where the corresponding percentages were 33·3 and 12·5. Further details relating to sample design and method of estimation appear in the Appendix.

Statement 1·2 shows the number of sugar factories together with the number of workers employed therein (a) in the frame, (b) in the sample and (c) in the sample actually covered.

**STATEMENT 1·2**  
*Number of Sugar Factories and Workers in the Frame, Sample, etc.*

	In the Frame (1959)		In the Sample Selected		In the Sample Actually Covered	
	Number of Factories	Number of Workers	Number of Factories	Number of Workers	Number of Factories	Number of Workers
1	2	3	4	5	6	7
1. U. P. .. ..	199	55,631	38	14,790	34 (17·1)	14,733 (26·5)
2. Bihar .. ..	34	21,600	8	5,751	7 (20·6)	5,728 (26·5)
3. Maharashtra ..	24	12,479	5	2,935	5 (20·8)	2,935 (23·5)
4. Southern-India ..	29	12,969	6	4,826	6 (20·7)	4,826 (37·2)
5. Residual .. ..	30	9,561	6	1,753	4 (13·3)	1,592 (16·7)
6. All-India .. ..	316	1,12,240	63	30,055	56 (17·7)	29,814 (26·6)

Note—Figures within brackets in columns 6 and 7 are percentages to total number of factories and workers as given in columns 2 and 3 respectively.

From the figures given in the Statement 1·2, it would be seen that the Survey ultimately covered nearly 18 per cent. of the sugar factories and 27 per cent. of the workers employed therein. Since only those factories as featured in the frame were included in the sample and it was not possible to take account of new factories which came into being till the time and during the period of the Survey, the information given in the Report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates and which continued to exist till the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule\*\* and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of experience of this enquiry, the schedule and instructions were suitably revised. Since all the sampled units of Sugar Industry were covered during 1962, the data except where specifically mentioned, should be treated to relate to 1962.

\*Statistics in respect of small factories have been presented separately in respect of Uttar Pradesh alone as, in only this centre, the ultimate coverage of small factories was adequate.

\*\*The Schedule used for the Survey has been published in Reports relating to Jute and Silk Industries.

## CHAPTER II

### EMPLOYMENT

Sugar Industry, as mentioned elsewhere, is the second largest and one of the first to be established in the country. Its richness in employment potential is amply evidenced by its remarkable growth and expansion. While tracing the development of the Industry, since 1929, the Labour Investigation Committee had taken note of the remarkable progress made by the Industry and had observed that "Taking the seasonal and perennial factories together, it can be said that the increase in employment between 1929 and 1939 was 422·3 per cent., between 1939 and 1943 was 8·3 per cent. and between 1929 and 1943 was 465·6 per cent.\*" The Sugar Industry continued making rapid strides and between 1951, when the planned era was ushered in, and 1961, when the planned economic development celebrated its 10th birthday, the number of sugar factories rose from 174 to 386 (122% increase) and the employment from about 95 thousand to 1·24 lakhs (i.e., about 30% increase).

#### 2·1. *Composition of the Working Force*---

During the course of the present Survey, in order to ensure comparability, the data in respect of employment were collected from different sampled establishments for a fixed date i.e., 1st January, 1962. On the basis of these data, it is estimated that the total employment strength of the sugar factories registered under the Factories Act, was about 1·72 lakhs on the above date. This estimate, however, differs from the similar figures collected under Factories Act (i.e., 1·24 lakhs) for the year 1961. The main reason for the difference between the two figures is that whereas the former represents the estimate based on the actual number of persons on roll on a particular date which was chosen to coincide with the peak of the season, the latter shows the average daily employment for the whole year. Besides, while the former includes even those employees who, though employed in registered factories, were deemed to be 'not covered' under the Factories Act the latter figure does not take such employees into account.

#### 2·1·1. *Distribution by Broad Occupational Groups* —

For the purposes of the present Survey, the internationally accepted classification† of employees was followed, and accordingly, they were classified into the following categories—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory).
- (d) Production and Related Workers (including Supervisory).
- (e) Watch and Ward and Other Services.

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\* Report on Labour Conditions in Sugar Factories, p. 4.

† 'International Standard Classification of Occupations'.

Based on the above classification, the number of workers in different occupational groups is given in Statement 2·1.

STATEMENT 2·1

*Estimated Percentage Distribution of Workers by Broad Occupational Groups in the Sugar Industry*

(January, 1962)

Centre	Total Number of Workers	Profes- sional, Technical and Related Personnel	Adminis- trative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervi- sory)	Produc- tion and Related Workers (including Supervi- sory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Uttar Pradesh ..	83,457	1·4	0·4	7·2	83·9	7·1
(a) Large Factories ..	80,248	1·4	0·4	7·3	83·6	7·3
(b) Small Factories ..	3,209	..	0·2	4·5	92·9	2·4
2. Bihar ..	26,815	2·3	0·3	6·6	81·3	9·5
3. Maharashtra ..	24,100	4·0	0·5	11·1	62·1	22·3
4. Southern-India ..	22,609	3·5	0·3	8·1	80·4	7·7
5. Residual ..	14,538	1·6	0·3	7·3	84·5	6·3
6. All-India ..	1,71,519	2·2	0·4	7·8	80·0	9·6

\*Data relate to workers both 'Covered' and 'Not Covered' under the Factories Act, 1948.

The Statement shows that an overwhelming majority of the working force (about 80% of the total) belonged to the group 'Production and Related Workers (including Supervisory)'. Barring Maharashtra, where the proportion of this group was found to be rather low, in other centres, it usually ranged between 80 to 85 per cent. 'Watch and Ward and Other Services' constituted the next important group with approximately 10 per cent. of the total employment, followed by 'Clerical and Related Workers'. The proportion of both these groups was significantly higher in Maharashtra. As regards large and small factories in U.P., the percentage of 'Production Workers' was much more in small factories, evidently at the cost of other groups whose proportion consequently, declined, so much so, that the 'Professional, Technical and Related Personnel' were completely missing in them.

2·1·2. *Distribution of Workers into 'Covered' and 'Not Covered' under the Factories Act—*

According to the Factories Act, 1948, a worker has been defined as 'a person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machine or premises used for a manufacturing process, or in any other kind of work incidental to, or connected with, the manufacturing process, or the subject of manufacturing process'. It was, however, observed during the Survey, that there was no uniformity with regard to the above definition and, consequently, while some units had included certain categories of employees (particularly Watch and Ward and Other Services) among these covered under the Factories Act, others tended to exclude them. It is estimated that such workers as were not covered

under the Act constituted about 10 per cent. of the total. Details of workers 'covered' and 'not covered' in different occupational groups are given in Statement 2-2.

### STATEMENT 2-2

*Estimated Percentage Distribution of Workers into 'Covered' and 'Not Covered' under the Factories Act, 1948 in the Sugar Industry*

(January, 1962)

Centre	Professional, Technical and Related Personnel		Administrative Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
	1	2	3	4	5	6
1. Uttar Pradesh ..	75.9	24.1	43.7	56.3	72.6	27.4
(a) Large Factories ..	75.9	24.1	42.7	57.3	71.9	28.1
(b) Small Factories ..	—	—	100.0	—	100.0	—
2. Bihar ..	41.2	58.8	28.4	71.6	48.3	51.7
3. Maharashtra ..	51.0	49.0	6.5	93.5	34.9	65.1
4. Southern-India ..	93.0	7.0	56.5	43.5	84.6	15.4
5. Residual ..	97.9	2.1	11.6	88.4	83.2	16.8
6. All-India ..	68.8	31.2	34.5	65.5	64.3	35.7

Centre	Production and Related Workers (including Supervisory)		Watch and Ward and other Services		Total	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
	8	9	10	11	12	13
1. Uttar Pradesh ..	100.0	—	37.5	62.5	93.0	7.0
(a) Large Factories ..	100.0	—	36.4	63.6	92.8	7.2
(b) Small Factories ..	100.0	—	100.0	—	100.0	—
2. Bihar ..	100.0	—	35.2	64.8	88.9	11.1
3. Maharashtra ..	100.0	—	12.0	88.0	70.8	29.2
4. Southern-India ..	100.0	—	89.3	10.7	97.6	2.4
4. Residual ..	100.0	—	50.0	50.0	95.3	4.7
6. All-India ..	100.0	—	35.0	65.0	90.1	9.9

The Statement shows that the proportion of workers 'not covered' under the Act was significantly high in Maharashtra (about 29%) and quite so in Bihar too (about 11%). It is no wonder that the all-India figure for 'not covered' workers could not remain unaffected thereby. In U.P., the biggest sugar producing State in the country, while the over-all figure for workers 'not covered' under the Act was not unduly high, the difference between large and small factories, in this respect, deserves mention. Whereas in small factories, all workers, belonging to various occupational groups, were covered under the Act, the proportion of such workers in large establishments in U.P. was about 93 per cent.

A further examination would show that of the total number of about 1·55 lakh workers covered under the Act about 2 per cent. belonged to the group 'Professional, Technical and Related Personnel', about 5 per cent. to 'Clerical and Related Workers', about 89 per cent. to 'Production and Related Workers' and about 4 per cent. to 'Watch and Ward and Other Services'. The proportion of 'Administrative, Executive and Managerial Personnel' was found to be negligible. Similarly the break-up of the total number of about 17 thousand workers 'not covered' under the Act is about 7, 28, nil, 63 and 2 per cent. for the above-mentioned groups respectively.

## 2·2. *Employment of Women—*

Employment of women, though not uncommon in the Sugar Industry is almost insignificant. Despite the fact that, as the Survey results show, about one-fifth of all the sugar factories in the country employed women workers, they constituted a negligible proportion of the total working force. As such, the Sugar Industry may be considered to be primarily a male-employing industry only. This inference compares favourably with the findings of the Labour Investigation Committee who have not made any mention of the employment of women in the Industry. The estimates, based upon the results of the present Survey, regarding the employment strength of women workers and the factories employing them are presented in Statement 2·3.

### STATEMENT 2·3

#### *Estimated Proportion of Women Workers\* to the total Working Force in the Sugar Industry*

(January, 1962)

Centre			Number of Factories†	Percentage of Factories employing Women	Total Number of Workers	Percentage of Women Workers to the total Number of Workers employed	Percentage of Women Workers to the total Women Workers in the Industry
1	2	3	4	5	6		
1. Uttar Pradesh .. ..	152	14·9	83,457	†	6·1		
(a) Large Factories .. ..	68	33·3	80,248	†	6·1		
(b) Small Factories .. ..	84	—	3,209	—	—		
2. Bihar .. ..	33	—	26,815	—	—		
3. Maharashtra .. ..	24	79·2	24,100	0·5	35·8		
4. Southern-India .. ..	26	43·6	22,609	0·9	58·1		
5. Residual .. ..	23	—	14,538	—	—		
6. All-India .. ..	258	20·5	1,71,519	0·2	100·0		

\*Data relate to both 'Covered' and 'Not Covered' under the Factories Act, 1948.

†Less than 0·05.

‡This number does not tally with the number of factories in Statement 1·2. The difference is due to the fact that only those factories which continued to exist till the time of Survey were covered.

The Statement shows that none of the sugar factories in Bihar and the Residual Group had any woman worker. On the other hand, about 79 and 44 per cent. of sugar factories in Maharashtra and Southern-India respectively had women on their roll. In U.P. about 15 per cent. of the establishments had women workers. Of course, it deserves a specific mention that, in U.P., only the large factories had such workers.

About 53 per cent. of the women workers, belonged to the occupational group 'Watch and Ward and Other Services', about 26 per cent. to 'Production and Related Workers', about 20 per cent. to 'Professional, Technical and Related Personnel' and the remaining few comprised 'Clerical and Related Workers'. As watch and ward employees, women workers were usually engaged on sweeping and cleaning the factory premises, stores and hospitals, etc. As 'Production Workers', they were employed for carrying boiler dust and other material from one place to another. Those belonging to the group 'Professional, Technical and Related Personnel' were employed as teachers, midwives, etc. No particular reason for the employment of women workers was given by the employees except that for certain jobs, only women were suitable.

### 2.3. Child Labour—

As regards child labour, the position, at the time of the Survey, remained the same as at the time of the Labour Investigation Committee's Enquiry i.e., none of the sugar factories were found to be employing child labour.

### 2.4. Time and Piece-rated Workers—

Though both the systems of payment, i.e., time and piece-rates were prevalent in the Industry, Statement 2.4, based on the results of the Survey, would indicate that payment by time predominated inasmuch as nearly 99 per cent. of the 'Production Workers' in the Industry were time-rated.

#### STATEMENT 2.4

*Estimated Percentage Distribution of 'Production Workers' by Methods of Payment in the Sugar Industry*  
(January, 1962)

Centre	Total Number of Production Workers	Percentage Distribution of Workers employed		Percentage Distribution of Workers by Sex and Method of Payment			
		Time-rated	Piece-rated	Men		Women	
				Time-rated	Piece-rated	Time-rated	Piece-rated
1	2	3	4	5	6	7	8
1. Uttar Pradesh ..	70,047	99.5	0.5	99.5	0.5	—	—
(a) Large Factories ..	67,066	99.6	0.4	99.6	0.4	—	—
(b) Small Factories ..	2,981	98.5	3.5	98.5	3.5	—	—
2. Bihar ..	21,806	100.0	—	100.0	—	—	—
3. Maharashtra ..	14,976	97.5	2.5	97.5	2.5	—	—
4. Southern-India ..	18,178	99.6	0.4	99.6	0.4	100.0	—
5. Residual ..	12,280	100.0	—	100.0	—	—	—
6. All-India ..	1,37,287*	99.4	0.6	99.4	0.6	100.0	—

\*Excludes 14 unpaid workers.

The small number of piece-rated workers were employed in Maharashtra, U.P. and Southern-India only. It would also be seen that, in U.P., the proportion of piece-rated workers was comparatively high in small factories. Women 'Production Workers', employed only in Southern-India, were all time-rated.

## 2.5. Contract Labour—

The Labour Investigation Committee did not make any mention of the extent of contract labour employed in the Sugar Industry at the time of their enquiry but they did mention that such workers in sugar factories were employed mainly in the unloading of cane and stacking or loading of sugar bags.

The present Survey has revealed that though about 35 per cent. of the sugar factories were employing contract workers, the proportion of such workers in the Industry was not significant inasmuch as they comprised only about 5 per cent. of the total 'Production Workers'.

### STATEMENT 2.5

#### *Estimated Percentage of Factories employing Contract Labour in the Sugar Industry*

(January, 1962)

		Number of Factories	Percentage of Factories Employing Contract Labour	Total Number of Production Workers in the Industry	Number of Production Workers employed through Contractors
		2	3	4	5
1. Uttar Pradesh .. ..	..	152	32.3	70,051	4,401 (6.3)
(a) Large Factories ..	..	68	72.2	67,070	4,401 (6.6)
(b) Small Factories ..	..	84	—	2,981	—
2. Bihar .. ..	..	33	10.6	21,806	573 (2.6)
3. Maharashtra .. ..	..	24	100.0	14,976	1,808 (12.1)
4. Southern-India .. ..	..	26	23.1	18,178	38 (0.2)
5. Residual .. ..	..	23	34.8	12,290	563 (4.6)
6. All-India .. ..	..	258	35.1	1,37,301	7,383 (5.4)

Note—Figures within brackets in Column 5 are percentages to Column 4.

It would be seen from the Statement 2.5 that though the practice of employing workers through contractors existed in all the centres, it was more common in Maharashtra where all the factories surveyed were found to be employing contract workers and where such workers constituted about 12 per cent. of the total 'Production Workers' in the centre. In U.P., none of the small factories surveyed was employing any contract worker as against about 72 per cent. of the large factories employing such workers.

Contract labour, wherever employed, was usually engaged on jobs like unloading of sugar cane and coal, etc., feeding the sugar cane into the cane carrier, sewing, stacking and loading of sugar bags, baling of bagasse, cleaning of quadruple pipes, removal of press mud and boiler ash. The main reason put forth by the managements for the employment of contract workers was that the jobs on which such workers were employed were of intermittent nature and as such employment of direct workers was not economical. Besides, contract workers who could be pressed into service at any time without any restriction of prescribed timings were stated to be more suitable for loading and unloading jobs which had to be completed within the shortest possible time to coincide with the availability of railway wagons.

#### 2.6. *System of Recruitment*

The Labour Investigation Committee at the time of their enquiry had found that workers were generally recruited at the gate through the heads of departments. The supervisory and technical or other superior staff were appointed by the general manager in consultation with the managing agents or proprietors. According to the present Survey, an overwhelming majority of the workers (about 96%) were found to have been recruited directly - recruitment at the factory gate itself accounting for about 65 per cent., those recruited through departmental heads accounted for about 25 per cent., while the rest (about 6%) had been recruited through labour offices. The remaining 4 per cent. of the workers who had not been recruited directly were highly skilled production workers, professional, technical and managerial personnel or clerical staff most of whom had been recruited through advertisement and a few through Employment Exchanges. As regards the different centres, the position was more or less the same in all of them excepting Maharashtra where only about 70 per cent. of the workers had been recruited directly and the rest through advertisement or Employment Exchanges. Among small factories, the most common practice was to recruit workers direct at the factory gate and in U.P., in particular, all the workers employed in the small factories surveyed had been so recruited.

#### 2.7. *Employment Status*

The Labour Investigation Committee had observed that most of the sugar factories were seasonal and the common practice in them was to dispense with the services of the majority of unskilled workers at the end of the season, some workers being retained for the cleaning and overhauling of machinery\*. Because of the seasonal character of the Industry, the Committee had further observed that the classification of workers into permanent and temporary did not normally hold good and, as such, they were classified into seasonal and non-seasonal workers.

\* Report on Labour Conditions in Sugar Factories, p—95.



Though, the seasonal character of the Industry continues to prevail but with the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all establishments employing 100 or more workers to classify their employees into various categories. Information pertaining to classification of 'Production Workers' into different categories according to employment status, was collected during the course of the present Survey. In those sampled factories where framing of Standing Orders was not obligatory, reliance had to be placed on the versions of the management regarding the employment status of their workers. The Survey results show that about 67 per cent. of the 'Production Workers' were seasonal, about 26 per cent. permanent, nearly 3 per cent. temporary and the rest were either casual, *badlis*, apprentices or probationers. Details appear in Statement 2·6—

## STATEMENT 2·6

*Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status in the Sugar Industry*

(January, 1962)

Centre	Total Number of Production Workers (employed Directly)	Percentage Distribution of Workers						
		Perma- nent Workers	Proba- tioners	Tempo- rary Workers	<i>Badlis</i>	Casual Workers	Appren- tices	Seasonal Workers
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh	65,650	24·7	0·1	1·1	0·7	1·1	0·3	72·0
(a) Large Factories	62,669	25·9	0·1	1·1	0·7	1·2	0·3	70·7
(b) Small Factories	2,981	0·2	—	—	—	—	—	99·8
2. Bihar ..	21,233	16·6	—	0·4	—	2·1	0·9	80·0
3. Maharashtra ..	13,168	34·3	*	0·1	1·0	0·1	4·0	60·5
4. Southern-India	18,110	33·7	—	5·0	5·7	3·7	0·1	46·8
5. Residual ..	11,727	20·8	—	18·4	—	2·8	0·3	57·7
6. All-India ..	1,29,918	26·0	0·1	3·0	1·2	1·7	0·7	67·3

\* Less than 0·05.

It would be seen from the Statement 2·6 that seasonal workers comprised the bulk of the 'Production Workers' in each centre. Their proportion varied from about 47 per cent. in Southern-India to nearly 80 per cent. in Bihar. Next to seasonal workers, permanent workers enjoyed a significant position, their proportion being the highest in Southern-India (about 39%) and the lowest in Bihar (about 17%). In the Residual Group, the proportion of temporary workers was also fairly large (about 18%). In small factories, particularly in U.P., almost all the 'Production Workers' were seasonal, hardly a handful of them being permanent.

## 2.8. Length of Service—

Information about length of service of workers was not available in all the sampled sugar factories selected by the Labour Investigation Committee. Besides, the Committee had observed that there was no uniformity with regard to maintenance of service records. In Bihar, for example, seasonal workers were kept on roll throughout the year. Subject to these limitations, the committee had found that the proportion of workers under one year's service was very large in Meerut, Champaran and Darbhanga centres. The highest proportion of workers who had put in 10 years' or more was found to be in Madras and Gorakhpur.

During the present Survey, a study of the distribution of workers according to their length of service was made in respect of 'Production Workers' covered under the Factories Act and employed directly by the managements. The data are presented in Statement 2.7.

### STATEMENT 2.7

*Percentage Distribution of 'Production Workers' Employed Directly According to Length of Service in the Sugar Industry (January, 1962)*

Centre	Total Number of Production Workers	Percentage Distribution of Workers				
		Under 1 year	1 year but under 5 years	5 years but under 10 years	10 years but under 15 years	15 years and above
1	2	3	4	5	6	7
1. Uttar Pradesh ..	65,645	13.4	13.6	11.4	28.9	36.0
(a) Large Factories ..	62,665	6.2	11.2	11.6	30.3	37.7
(b) Small Factories ..	2,984	99.2	0.8	—	—	—
2. Bihar ..	21,233	19.2	17.6	12.3	17.2	33.7
3. Maharashtra ..	13,168	63.3	22.5	5.2	3.6	5.3
4. Southern India ..	18,149	36.6	23.3	12.3	8.8	16.9
5. Res. Grp. ..	11,717	42.2	35.0	19.8	—	—
6. All India ..	1,29,904*	25.8	18.9	11.7	19.0	26.6

\* Excludes 11 seasonal workers.

It is note worthy that, in the Industry as a whole, as many as about 27 per cent. of the workers had more than 15 years service to their credit as on 1st January, 1962 and another 19 per cent. had put in more than 10 but less than 15 years. Only about 24 per cent. of the workers had put in less than one year's service and the rest constituted the intermediate groups. The pattern of the distribution of workers according to their length of service was found to be different in different centres. U.P. and Bihar could be regarded as leading inasmuch as about 65 and 51 per cent. of the workers in these two centres respectively had more than 10 years' service to their credit. In Maharashtra, the Residual Group and Southern-India, on the other hand, majority of the workers had put in less than 5 years' service, their proportion being 86, 80 and

62 per cent. respectively. In small factories, very few workers had more than one years' service to their credit and in U.P. in particular, almost all the workers employed in the small factories surveyed had put in less than one year's service

### 2.9. Absenteeism—

The Labour Investigation Committee, at the time of their enquiry, had found that, on the whole, absenteeism was not very high in the Sugar Industry. Of the different places visited by them, they found absenteeism to be the highest in Madras where it went upto 10 per cent. in some of the factories and lowest in Meerut where it ranged between 1 and 2 per cent. In other centres, it fluctuated between these two extremes but in the majority of sampled factories in Bihar and Bombay it was below 5 per cent.

During the present Survey, data pertaining to absenteeism were collected only in respect of 'Production Workers' employed directly, excluding casual, *badli* and unpaid workers, if any. The information collected for the calendar year 1961 appears in Statement 2.8.

STATEMENT 2.8  
*Estimated Absenteeism Rate\* in the Sugar Industry*  
(During 1961)

Month	Centre					
	Uttar Pradesh	Bihar	Maharashtra	Southern India	Residual	All-India
1	2	3	4	5	6	7
January .. ..	3.7	3.6	5.2	9.2	2.6	4.5
February .. ..	4.4	4.8	6.4	10.1	3.2	5.4
March .. ..	5.5	5.6	6.9	11.3	3.5	6.3
April .. ..	7.0	6.7	7.6	10.3	3.6	7.2
May .. ..	7.9	11.1	11.9	9.9	8.5	9.1
June .. ..	12.2	12.3	14.2	12.5	10.5	12.4
July .. ..	10.7	11.2	8.8	15.7	9.6	11.7
August .. ..	9.3	9.1	6.4	13.3	8.5	9.8
September .. ..	8.8	8.1	7.2	11.1	5.8	8.8
October .. ..	9.2	9.2	5.0	10.5	5.2	8.2
November .. ..	5.1	4.9	6.1	9.2	3.9	6.0
December .. ..	3.3	3.2	6.8	9.0	2.6	4.4
Over-all .. ..	6.1	6.1	7.3	10.8	4.5	7.0

\* Percentage of Man days lost to the Man-days Scheduled to work.

The Statement 2.8 shows that the pattern of the extent of absenteeism has not undergone any, noticeable change since the times of the Labour Investigation Committee. It is estimated that during 1961, absenteeism rate in the Industry, as a whole, was about 7 per cent. It is worthy of note that the all-India absenteeism rate was quite low during the busy season i.e. from November to March.

As regards different centres, absenteeism rate was the highest in Southern-India (10·8%) a fact remarkably in consonance with the findings of the Labour Investigation Committee. In other centres, it varied from 4·5 per cent. in the Residual Group to 7·3 per cent. in Maharashtra. Absenteeism rate, in general, was higher during May to October, in all the centres. Small factories faced this problem to greater extent than their large counterparts. To quote an instance, the rate of absenteeism in large factories in U.P. was only 6·0 per cent. as against 10·3 per cent. in the small factories.

None of the sampled units surveyed had adopted any specific measure to reduce absenteeism except that disciplinary action for unauthorised absence could be taken under the provisions of the Standing Orders wherever such Orders had been framed.

### 2·10. Labour Turnover -

According to the Labour Investigation Committee, the problem of labour turnover in the Sugar Industry was comparatively of a less magnitude than that in the other industries.

During the present Survey, data in respect of labour turnover also were collected for the same categories of workers as in the case of absenteeism. Since, bulk of the working force in the Sugar factories is seasonal in character information was collected separately for seasonal and non-seasonal workers for the Calendar year 1961 and is presented in Statement 2·9.

#### STATEMENT 2·9

#### *Estimated Rate of Accession in the Sugar Industry (In Percentages) (During 1961)*

Centre	Rate of Accessions												
	Uttar Pradesh		Bihar		Maharashtra		Southern-India		Residual		All-India		
	Non-sea-sonal	Sea-sonal	Non-sea-sonal	Sea-sonal	Non-sea-sonal	Sea-sonal	Non-sea-sonal	Sea-sonal	Non-sea-sonal	Sea-sonal	Non-sea-sonal	Sea-sonal	
Month	1	2	3	4	5	6	7	8	9	10	11	12	13
January ..	0·1	2·1	0·5	0·4	4·5	0·1	0·1	7·0	0·8	0·0	0·8	2·0	
February ..	—	3·0	2·1	0·6	—	0·3	*	—	—	0·9	0·3	2·0	
March ..	—	2·7	2·7	0·1	3·3	0·1	0·2	—	—	4·8	0·9	1·9	
April ..	—	2·9	4·2	0·1	—	—	—	0·1	6·0	3·4	0·9	2·0	
May ..	0·9	3·7	2·2	0·4	17·2	—	0·1	1·6	0·3	—	3·3	2·7	
June ..	1·3	8·0	7·9	3·0	15·4	—	0·1	—	—	19·1	4·2	6·5	
July ..	6·3	12·7	7·4	0·2	2·6	—	0·5	22·1	0·7	3·6	4·0	12·0	
August ..	2·3	9·6	13·2	2·2	4·1	—	—	0·2	12·7	5·8	4·0	7·2	
September	0·2	7·4	2·7	2·8	0·9	—	0·1	—	15·0	5·6	1·6	5·7	
October ..	0·9	18·8	5·3	5·3	2·3	200·4	*	31·6	25·3	2·7	3·3	42·1	
November..	0·1	73·3	0·9	128·1	—	19·9	0·1	42·5	—	16·0	0·2	70·4	
December	*	43·9	2·9	2·0	0·1	0·1	*	37·9	—	138·3	0·4	34·6	
Over-all ..	1·0	14·1	4·4	12·0	4·3	14·6	0·1	10·4	5·2	17·8	2·0	13·6	

\* Less than 0·05

It would be seen from the Statement 2.9 that the average monthly rate of accession during 1961, was 2.0 per cent. among the non-seasonal workers and 13.6 per cent. among the seasonal workers. As regards the different centres, this rate, both in respect of seasonal and non seasonal workers was the highest in the Residual Group and the lowest in Southern-India. As regards the monthly variations in the accession rate, they were quite significant, and naturally so, among seasonal workers. Most of the accessions took place during October, November and December, i.e. on the commencement of the Sugar season.

Information about the rate of separations is presented in Statement 2.10.

#### STATEMENT 2.10

##### *Estimated Rate of Separation in the Sugar Industry (During 1961)*

Centre	Rate of Separation												
	Uttar Pradesh		Bihar		Maharashtra		Southern-India		Residual		All-India		
	Non- sea- sonal	Sea- sonal	Non- sea- sonal	Sea- sonal	Non- sea- sonal	Sea- sonal	Non- sea- sonal	Sea- sonal	Non- sea- sonal	Sea- sonal	Non- sea- sonal	Sea- sonal	
Month	1	2	3	4	5	6	7	8	9	10	11	12	13
January ..	0.2	2.5	0.6	0.6	0.1	0.9	0.3	0.1	—	0.2	0.2	1.7	
February ..	0.1	2.0	1.9	0.5	0.2	3.1	*	0.8	—	1.0	0.3	1.7	
March ..		6.2	2.2	0.3	0.3	0.5	0.2	0.2	7.0	82.8	0.9	7.6	
April ..	0.1	6.0	2.0	59.1	0.7	17.9	0.4	0.2	6.0	3.4	0.9	12.9	
May ..	0.1	57.3	1.5	44.7	2.7	200.0	0.2	29.2	0.3	89.8	1.1	61.8	
June ..	0.3	64.7	6.9	62.9	0.4	—	0.2	77.2	12.7	16.9	1.8	64.9	
July ..	0.6	6.6	6.6	—	3.2	—	0.4	2.6	1.0	5.8	1.8	5.2	
August ..	1.1	13.0	15.0	1.4	5.3	—	0.2	—	0.3	—	3.3	9.2	
September ..	1.2	16.0	2.2	—	3.7	—	0.2	22.8	5.5	2.1	1.8	14.2	
October ..	0.2	8.8	2.0	1.6	14.0	0.1	0.2	—	1.0	2.7	2.7	5.5	
November..	9.6	7.5	7.6	—	6.7	1.7	0.1	*	17.3	23.6	7.2	4.9	
December..	0.1	2.7	0.6	0.6	0.1	0.1	0.2	—	—	0.9	0.2	1.7	
Over-all ..	1.2	13.9	4.4	12.1	3.3	16.1	0.2	9.4	4.5	19.6	1.9	13.6	

\* Less than 0.05

The overall average monthly rate of separation, during 1961, was almost the same as the accession rate i.e. 1.9 per cent. in respect of non-seasonal workers and 13.6 per cent. for seasonal workers. The rates of separation were naturally high, in keeping with the nature of the Industry, at the far end of the season i.e. May (61.8%) and June (61.9%). As regards the different centres, the rate of separation, like the accession rate, both for seasonal and non-seasonal workers, was the highest in the Residual Group and the lowest in Southern-India.

An attempt was made during the Survey to collect information pertaining to separations by causes also. From the data appearing in Statement 2·11 it would appear that most of the separations were on account of discharge or dismissal. As regards different centres, the position was more or less the same in the case of seasonal workers. However, non-seasonal workers presented a different picture. For example, in the Residual Group of factories, quits\* alone accounted for as many as 85 per cent. of total separations and the rest were due to discharge or dismissal. In Southern-India, about 49 per cent. of the separations were due to discharge or dismissal, about 27 per cent. due to quits and the rest about (24%) were on account of retirement or death.

STATEMENT 2·11  
*Estimated Percentage Distribution of Separations by Causes  
in the Sugar Industry  
(During, 1961)*

Centre	Causes					
	Discharge or Dismissals		Quits		Retirement or Death	
	Non-seasonal	Seasonal	Non-seasonal	Seasonal	Non-seasonal	Seasonal
1	2	3	4	5	6	7
1. Uttar Pradesh ..	86·8	97·1	1·4	2·4	11·8	0·5
2. Bihar ..	97·9	98·4	0·3	1·4	1·8	0·2
3. Maharashtra ..	92·4	97·6	7·1	2·3	0·5	0·1
4. Southern-India ..	48·7	99·4	27·5	0·6	23·8	†
5. Residual ..	14·7	95·0	85·3	5·0	—	—
6. All-India ..	78·7	97·4	17·1	2·3	4·2	0·3

#### 2·11. Training and Apprenticeship

A regular system of apprenticeship, according to Labour Investigation Committee existed in only a few of the concerns in Bihar. Subsequently, the Central Wage Board for the Sugar Industry also dealt with the practice of engaging apprentices and learners in the Sugar Industry and made some recommendations about their employment which *inter-alia* provided that "(i) no apprentice shall be taken for unskilled manual jobs, (ii) an apprentice shall not be paid less than 60 per cent. of the minimum basic wages and dearness allowances or consolidated wages, as the case, may be, of the occupation in which he is receiving training and (iii) the period of apprenticeship in a sugar factory shall not exceed two years". ‡

\* Quits are termination of employments initiated by employees because of acceptance of jobs elsewhere, dissatisfaction, marriage, maternity, ill health, unauthorised absence, etc.

† Less than 0·05.

‡ Report of the Central Wage Board for the sugar Industry, 1960, p. 8.

The Survey has revealed that training and apprenticeship facilities had been provided in about 41 per cent. of the sugar factories in the Industry. As regards the different regions, the proportion of such factories was about 67 per cent. in Southern-India, about 53 per cent. in Bihar, nearly 42 per cent. in Maharashtra and approximately 35 per cent. each in U.P. and the Residual Group of factories. The facilities had been provided mostly by large factories only and, in U.P. they were non-existent in the small factories surveyed. The facilities were found to have been provided on an *ad hoc* basis in about 85 per cent. of the factories having such arrangements and in the remaining 15 per cent. (comprising about 40 per cent. of such factories in Bihar and nearly 50 per cent. each in Maharashtra and the Residual Group), there were regular schemes. Apprentices were being mostly trained as turners, welders, fitters, moulders, boiler attendants, panmen, assistant chemists, etc. Period of training varied according to the type of trade and the degree of skill aimed. As regards remunerations paid to apprentices during the period of training, in a majority of the factories, it was as per recommendations of the Central Wage Board. Recruitment of apprentices was made from amongst the general public and nominees of the technical institutes. Persons who had already had some training in the institutes run by the Government were generally preferred. Employment on completion of training was guaranteed in only about 7 per cent. of the factories providing training facilities. Written contracts governing apprenticeship between employers and apprentices existed in as many as about 88 per cent. of the factories while in the remaining 12 per cent. all of which happened to be in U.P., no such practice existed.

## CHAPTER III

### WAGES AND EARNINGS

According to the Labour Investigation Committee, the general level of prevailing wages in the Sugar Industry, at the time of their enquiry, was influenced mainly by the wage rates payable for similar and comparable type of work in other factories in the neighbourhood. Another important factor found to be having a bearing on wages was the easy availability of labour from the rural areas during the sugar season when there was little or no work on land. The overall average daily earnings were found to be the lowest, both in respect of the actual minimum earnings and the modal earnings, in factories located in Eastern U.P. and Northern Bihar. While there were workers who earned even less than 8 annas per day, the average daily earnings of over 82 per cent. of the workers in these factories fell in the group '8 annas but less than 12 annas'. In Meerut and Ahmadnagar, the modal earning group was '12 annas but less than Re. 1,' as the average daily earnings of about 66 and 74 per cent. of the workers, respectively, belonged to this group. In Madras, about 57 per cent. of the workers earned Re. 1 or more but less than Rs. 1-4-0 per day.

Though subsequent years witnessed a rise in the wages of workers engaged in the Sugar Industry, there had been no standardisation of wage rates in the Industry, on an all-India basis, till the appointment of the Central Wage Board for the Sugar Industry in 1957. The Board had found that the then prevailing minimum wages in the Industry differed widely not only from region to region but also amongst the units in the same region itself. In the sugar factories of the Northern Region (comprising Punjab, Uttar Pradesh, Bihar, West Bengal and Assam States) the minimum wages in most of the cases were around Rs. 55 per month. In Maharashtra, the rates varied from Rs. 39 to Rs. 76 per month. In Southern Region (comprising Madras, Andhra Pradesh, Mysore and Kerala) the rates of minimum wages ranged between Rs. 32.50 and Rs. 84.65 per month. But, by and large, the minimum wages of sugar workers were the lowest in the Central Region (comprising Gujarat, Madhya Pradesh, Rajasthan and Orissa States) where they varied from Rs. 33 to Rs. 60 per month. The Wage Board, as a first step, recommended an interim relief varying from Rs. 3 to Rs. 9 per month with effect from January 1, 1959. After prolonged deliberations, the Board recommended the following scale of total wages for the unskilled manual employees in all the vacuum-pan sugar factories in the country.

<i>Region</i>					<i>Total Wages (Rs.)</i>
1. Central	..	..	..	..	66-1-71
2. Northern	..	..	..	..	76-1-81
3. Maharashtra	..	.	..	..	87-1-92
4. Southern	..	..	..	..	81-1-86



Of the total wages, the Board recommended a uniform basic wage scale of Rs. 60-1-65 and the balance was to be deemed as the dearness allowance. The Board recommended a scheme of dearness allowance for all categories of workers in the Industry. The scheme consisted of two parts: Part I provided for graduated rates of D.A. and Part II comprised D.A. rates to be linked to the All-India Average Consumer Price Index Numbers for Working Class (Base 1949). The Board also dealt with the problem of wage differentials and taking into account the differences in the regional paying capacity of the Industry, evolved a wage structure for the different categories of workers in the Industry\*. The results of the present Survey show that there has been a noticeable increase in the level of wages prevailing in the Sugar Industry. The extent to which wages have increased would be evident from the information given in the paragraphs that follow:

### 3.1. Wage Revisions

During the course of the Survey, information relating to wage revisions since 1956, affecting a majority of workers in the sampled units, was collected. The available data show that such revisions had taken place in about 60 per cent. of the factories in the Industry. Details appear in Statement 3.1.

#### STATEMENT 3.1

#### *Estimated Percentage Distribution of Factories According to Number of Wage Revisions in the Sugar Industry (During 1956-62)*

Centre	Total Number of Factories	Percentage of Factories where Wage Revisions took place	Percentage of Factories in which Wage Revisions took place			
			Once	Twice	Thrice	More than three times
1	2	3	4	5	6	7
1. Uttar Pradesh ..	152	42.2	70.6	23.5	5.9	..
(a) Large Factories	68	94.4	70.6	23.5	5.9	..
(b) Small Factories	84	..	..	..	..	..
2. Bihar .. ..	33	89.4	76.3	23.7	..	..
3. Maharashtra ..	24	100.0	..	20.8	18.8	60.4
4. Southern-India ..	26	100.0	66.7	33.3	..	..
5. Residual .. ..	23	52.2	66.7	33.3	..	..
6. All-India .. ..	258	60.4	59.8	25.6	5.3	9.3

It would be seen from the Statement that while all the factories surveyed in Maharashtra and Southern-India had reported wage revisions, in U.P., the proportion of such factories was only about 42 per cent., all of which were large-sized. As regards the frequency of wage revisions since 1956 till the time of the Survey, the available data show that in nearly three-fifths of such factories wages had been revised once, in approximately 26 per cent. twice while in the remaining, more than two wage revisions had been effected.

Of the total wage revision in the Industry since 1956, about 50 per cent. were consequent upon the recommendations of the Central Wage Board for Sugar Industry, approximately 27 per cent. as a result of mutual agreements between the employees and employers, nearly 22 per cent. due to voluntary decisions of the employers and the remaining few (i.e. 1%) as a result of the recommendations of the *ad hoc* committee set up by the Bihar State Government. As at the Industry level, in all centres except Maharashtra, most of the wage revisions were consequent upon the recommendations of the Central Wage Board for the Sugar Industry, the proportion of such revisions being about 81 per cent. in Bihar, about 75 per cent. in the Residual Group, nearly 74 per cent. in U.P., and approximately 67 per cent. in Southern-India. As against this, in Maharashtra, about 53 per cent. of the revisions were due to collective agreements between the employees and employers, about 38 per cent. on account of voluntary decisions of the employers and the remaining 9 per cent. were based on the recommendations of the Central Wage Board.

### 3.2. Pay Periods

The Payment of Wages Act, 1936, provides that no wage period should exceed one month and that wages earned should be paid to workers within a prescribed time limit after the expiry of the period to which they relate. Traditions, usages and nature of work, etc., often influence the wage periods prevailing in different industrial establishments in the country. Information about the different pay periods in the Sugar Industry collected during the Survey, appears in Statement 3.2.

STATEMENT 3.2  
*Estimated Percentage Distribution of Workers According to Pay Periods  
in the Sugar Industry  
(December, 1961)*

Centre	Percentage of Workers whose Pay Period was			
	Month	Fortnight	Week	Day
1	2	3	4	5
1. Uttar Pradesh .. ..	98.9	0.4	0.1	0.6
(a) Large Factories ..	98.8	0.5	0.1	0.6
(b) Small Factories ..	100.0	..	..	..
2. Bihar .. ..	99.3	0.3	0.4	..
3. Maharashtra .. ..	63.4	36.6	..	..
4. Southern-India .. ..	96.4	1.7	0.9	1.0
5. Residual .. ..	100.0	..	..	..
6. All-India .. ..	94.8	4.6	0.2	0.4

Apparently, the predominant wage period current in the Industry was a month inasmuch as about 95 per cent. of the employees were receiving their pay packet every month. Almost all of the remaining workers were receiving their dues every fortnight and only a negligible proportion of the workers such as casual workers, contract workers, and some piece-rated workers were being paid on a weekly or daily basis. The position was more or less the same in the various centres of the Industry excepting Maharashtra where the proportion of workers whose pay period was a fortnight was as high as about 37 per cent.

### 3.3. Earnings—

Information relating to man-days worked and the basic wages, dearness allowance and other components of earnings earned by workers during a pay period, preceding the specified date (i.e. January 1, 1962) was collected from each of the sampled units during the course of the Survey. The data collected relate to workers covered under the Factories Act according to the broad categories of 'All Workers', 'Production Workers' (employed directly), 'Lowest-paid Production Workers,' Clerical and Related Workers' and 'Watch and Ward and Other Services'. As the 'Production Workers' constituted the bulk of the working force, information in respect of them was collected separately for men and women\*. Since the Bureau had already conducted a detailed Occupational Wage Survey in 1958-59, data relating to earnings of workers by occupations were not collected during the present Survey. It was found during the course of the Survey that in most of the cases no records were available in respect of workers employed through contractors and hence no information could be collected in respect of them.

#### 3.3.1. Earnings of 'All Workers' and 'Production Workers'—

On the basis of the information collected, it is estimated that, during December, 1961, the average daily earnings of 'All Workers' in the Sugar Industry were Rs. 3.62.† Details appear in Statement 3.3.

STATEMENT 3.3  
*Estimated Average Daily Earnings of Workers in the Sugar Industry*  
(December, 1961)

		(In Rupees)			
Centre		All Workers‡	Production Workers		
			Men	Women	All Production Workers
1		2	3	4	5
1. Uttar Pradesh ..	..	3.60	3.33	..	3.33
(a) Large Factories ..	..	3.65	3.37	..	3.37
(b) Small Factories ..	..	2.20	2.15	..	2.15
2. Bihar ..	..	3.43	3.31	..	3.31
3. Maharashtra ..	..	3.84	3.36	..	3.36
4. Southern-India ..	..	3.88	3.44	2.15	3.43
5. Residual ..	..	3.26	2.96	..	2.96
6. All-India ..	..	3.62	3.32	2.15	3.32

\*No children were found employed in the Industry at the time of the Survey and as such, data could not be collected for the same.

†These figures differ appreciably from those collected under the Annual Survey of Industries. As per the data in respect of 'man-hours' and 'wages and salaries' for workers in the Sugar Industry, for the year ended 30th June, 1961, the average earnings work out to Rs. 5.77 per man-day. (Annual Survey of Industries, 1961, Vol. II, p. 52, by Central Statistical Organisation). This disparity could be attributed to the difference in the scope of the coverage of the factories and concept of 'wages and salaries' adopted under the two Surveys. Whereas, under the Survey of Labour Conditions, all the Sugar factories registered under the Factories Act, 1948, were covered on a sample basis, under the Annual Survey of Industries, only such of the registered factories as employed 50 or more workers with the aid of power or 100 or more workers without the aid of power including those which did not work during the year were covered, on a Census basis. Thus, it will be observed that, under the latter Survey, there was a tendency towards the coverage of bigger units.

‡All Workers Covered under the Factories Act i.e., Technical, Administrative, Production (including Supervisory), Clerical (including Supervisory) and Watch and Ward and Other Services including contract labour, where the information was available for such workers.

It would be seen from the Statement 3·3 that the average daily earnings of 'All Workers' were the highest in Southern-India (Rs. 3·88) followed closely by Maharashtra (Rs. 3·84), and the lowest in the Residual Group (Rs. 3·26). In U.P. and Bihar, their average daily earnings were Rs. 3·60 and Rs. 3·43 respectively. Workers earnings were usually higher in large factories.

Taking the 'Production Workers' alone into account, their average daily earnings were Rs. 3·32 i.e. about 8 per cent. less than those of 'All Workers'. The average daily earnings of 'All Workers' were higher than those of 'Production Workers' in all the centres of the Industry. This could be due to the impact of the high salaries received by the managerial, technical and administrative personnel included in 'All Workers'. On the pattern of 'All Workers', the average daily earnings of 'Production Workers', too, were the highest in Southern-India (Rs. 3·43) and the lowest in the Residual Group (Rs. 2·96). Similarly, the earnings of 'Production Workers' were higher in large factories than in the smaller ones. Women 'Production Workers', employed in Southern-India only, on an average, earned Rs. 2·15 per day as against Rs. 3·44 earned by their male counterparts. The lower average daily earnings of female workers could be attributed to the fact that they were employed on occupations which carried low wage rates.

### 3·3·2. Earnings of Lowest-paid Production Workers—

Data in respect of lowest-paid 'Production Workers' were collected separately. Such workers were generally found to be employed as *mazdoors*, departmental sweepers, cleaners, cane carriers and other unskilled workers for odd jobs. The average daily earnings of the lowest-paid 'Production Workers' *vis-à-vis* 'All Workers' and 'Production Workers' are given in Statement 3·4.

#### STATEMENT 3·4

#### *Estimated Average Daily Earnings of Lowest-Paid 'Production Workers' and Other Workers in the Sugar Industry*

(December, 1961)

(In Rupees)

Centre	Average Daily Earnings of		
	Production Workers	Lowest-paid Production Workers*	All Workers
1	2	3	4
1. Uttar Pradesh .. .. .	3·33	2·91	3·60
(a) Large Factories .. .. .	3·37	2·94	3·65
(b) Small Factories .. .. .	2·15	1·35	2·20
2. Bihar .. .. .	3·31	2·97	3·43
3. Maharashtra .. .. .	3·36	2·97	3·84
4. Southern-India .. .. .	3·43	2·78	3·88
5. Residual .. .. .	2·96	2·43	3·26
6. All-India .. .. .	3·32	2·88	3·62

\* Employed directly.

As would be seen from Statement 3·4, lowest-paid 'Production Workers' employed directly in the Sugar Industry earned on an average Rs. 2·88 per day i.e., about 13 per cent. less than 'Production Workers' and nearly 20 per cent. less than 'All Workers'. Their earnings were the highest in Maharashtra and Bihar being Rs. 2·97 in each of them and the lowest in the Residual Group (Rs. 2·43). Like 'All Workers' and 'Production Workers' they earned more in large factories than in small ones.

### 3·3·3. *Earnings of Clerical and Watch and Ward Staff --*

Separate information regarding the earnings of Clerical and 'Watch and Ward' staff was also collected and is given in Statement 3·5.

#### STATEMENT 3·5

#### *Estimated Average Daily Earnings of Clerical and Watch and Ward and other Services in the Sugar Industry*

(December, 1961)

(In Rupees)

Centre	Clerical and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3
1. Uttar Pradesh .. .. .	5·17	3·29
(a) Large Factories . . . . .	5·23	3·33
(b) Small Factories .. .. .	3·09	1·92
2. Bihar .. .. .	4·80	2·85
3. Maharashtra .. .. .	4·95	3·24
4. Southern-India .. .. .	5·05	3·34
5. Residual .. .. .	4·35	2·40
6. All-India .. .. .	5·00	3·16

The Clerical and Related Workers (including supervisory staff) in the Sugar Industry earned, on an average, Rs. 5·00 per day. Their daily earnings were the highest in U.P. (Rs. 5·17) and the lowest in the Residual Group (Rs. 4·35). Like 'All Workers' the earnings of such workers were more in large factories than in the smaller ones. 'Watch and Ward Staff' earned, on an average, Rs. 3·16 per day and compared well with the earnings of 'All Workers' and 'Production Workers'. As regards the different centres, their average daily earnings ranged between Rs. 2·40 in the Residual Group and Rs. 3·34 in Southern-India. As in the case of other categories of workers, their earnings, too, were higher in large factories than in the small ones.

### 3.1. Components of Earnings

Data in respect of components of earnings collected during the course of the Survey reveal that almost the entire pay packet of the workers consisted of basic earnings as the incidence of other allowances was almost negligible. The break-up of the average daily earnings of 'All Workers' is given in Statement 3.6.

#### STATEMENT 3.6

#### *Estimated Average Daily Earnings by Components of All Workers in the Sugar Industry*

(December, 1961)

(In Rupees)

Centre	Basic Earnings (Basic Wages and D.A. or consolidated Wages)	Production/ Incentive Bonus	Night Shift Allowance	House-Rent Allowance	Transport/ Conveyance Allowance	Over-time pay	Food-grains Concessions	Other Cash Allowances	Total
1	2	3	4	5	6	7	8	9	10
1. Uttar Pradesh..	3.59 (99.72)	..	..	..	..	0.01 (0.28)	..	*	3.60 (100.00)
(a) Large Factories	3.64 (99.73)	..	..	..	..	0.01 (0.27)	..	*	3.65 (100.00)
(b) Small Factories	2.20 (100.00)	..	..	..	..	..	..	..	2.20 (100.00)
2. Bihar	3.36 (97.96)	..	..	..	..	0.07 (2.04)	..	*	3.43 (100.00)
3. Maharashtra.	3.80 (98.96)	..	..	..	*	0.04 (1.04)	..	*	3.84 (100.00)
4. Southern-India ..	3.71 (95.62)	..	0.01 (0.26)	*	*	0.10 (2.57)	0.05 (1.29)	0.01 (0.26)	3.88 (100.00)
5. Residual	3.19 (97.85)	..	..	..	..	0.07 (2.15)	..	*	3.26 (100.00)
6. All-India	3.57 (98.62)	..	*	*	*	0.04 (1.10)	0.01 (0.28)	*	3.62 (100.00)

\* Less than Re 0.005.

Note—Figures within brackets are percentages to total.

#### 3.1.1. Basic Earnings—

The basic earnings i.e. the basic wages and dearness allowance, (where paid separately) or the consolidated wages accounted for nearly 99 per cent. of the total earnings of workers in the Sugar Industry as a whole. The proportion was more or less the same in all the centres. In small factories, particularly in U.P., the entire earnings of the workers consisted of basic earnings only.

It was observed that dearness allowance in addition to basic wages was being paid separately in about 63 per cent. of the factories in the Industry i.e., in all the factories surveyed in Bihar, Maharashtra and Southern-India, in about 52 per cent. in the Residual Group and in nearly 45 per cent. (all of which were of large size) in U.P. In about 80 per cent. of the factories paying separate dearness allowance, (comprising cent per cent. in U.P. and the Residual Group, about 89 per cent. in Bihar, approximately 44 per cent. in Southern-India and nearly 40 per cent. in Maharashtra) the scheme of dearness allowance followed the pattern as recommended by the Central Wage Board for the Sugar Industry as mentioned elsewhere in this Report. In nearly 13 per cent. of the factories paying dearness allowance, the amount paid varied according to the income groups and in the rest (i.e. about 7 per cent, all of which happened to be located in Southern-India) the same was either linked to the Consumer Price Index Numbers or was paid as a fixed percentage of the basic wages.

#### 3.4.2. *Production/Incentive Bonus*---

The Survey has revealed that the system of paying production/incentive bonus did not exist in any of the sugar factories surveyed.

#### 3.4.3. *Night-Shift Allowance*---

Only one of the factories surveyed in Southern-India was reported to be paying night-shift allowance to workers employed during the night-shift, the rate of allowance being Re. 0.12 per night shift. Average daily earnings on account of such payments amounted to Re. 0.01 in Southern-India and were negligible at the Industry level.

#### 3.4.4. *House Rent Allowance*---

The practice of paying house-rent allowance to workers existed in two of the sampled factories in Southern-India and in one sampled factory in Bihar. Of the two factories in Southern-India, in one, those of the permanent workers and staff members who lived in rented houses within 5 miles of the factory, were entitled to a house rent allowance at the rate of 10 per cent. of the basic wages. In the second factory, only accountant and watchmen were being paid house-rent allowance at the rate of 10 per cent. of basic wages. As regards the one sampled factory paying house-rent allowance in Bihar, information shows that all those production workers who had not been provided with quarters were being given house-rent allowance which varied from Rs. 4 to Rs. 15 per month, according to the different pay slabs. Since payments made on account of house rent allowance in this factory were included in basic earnings and were not available separately they are not featuring as a separate component of earnings in Bihar.

#### 3.4.5. *Transport or Conveyance Allowance*---

The Survey results show that transport or conveyance allowance was being paid in three of the sampled factories, two of which were in Southern India and one in Maharashtra. The allowance was payable only to some persons such as field mistry, cane-supervisor, clerk, etc., who were supposed to perform some duties outside the factory. The rate of payment varied from Rs. 5 to Rs. 15 per month. Since the payment was limited only to a few employees, its impact at the industry level was negligible.

### 3.4.6. *Overtime Pay*—

Earnings on account of overtime work amounted to only Re. 0.04 per day. Overtime pay featured as a component of earnings in all the centres of the Industry though to a varying extent.

### 3.4.7. *Foodgrains Concessions* —

The facility of the supply of food-grains at concessional rate was being enjoyed by workers in only one of the sampled factories in Southern-India. Nowhere else, this or any other facility was available.

### 3.4.8. *Other Cash Allowances* —

Other allowances such as servant allowance, weighing allowance, first-aid box allowance, washing allowance, domestic allowance, special allowance, car and lorry driving allowance, watch-man allowance, radio maintenance allowance, fire-wood allowance, etc., were being paid to a few employees only in some of the factories in all the centres. Since they were normally restricted to a selected few, their impact at the Industry level was almost negligible.

### 3.5. *Bonuses*—

The Labour Investigation Committee in their Report did not make any mention about bonus payment to workers in the Sugar Industry at the time of their enquiry. Subsequently, the determination of the principles that should govern the grant of bonus to workers in the Sugar Industry was included in the terms of reference of the Central Wage Board for the Sugar Industry. The Board, after taking into account the existing practices in the different regions of the Industry and other relevant factors recommended\* a bonus formula for the Northern and Central Regions of the Industry only i.e., for vacuum-pan sugar factories located in Punjab, Uttar Pradesh, Bihar, Bengal, Assam, Madhya Pradesh, Rajasthan, Gujarat and Orissa. The Board, taking note of the fact that the then existing practice of settling bonus claims, unit-wise, by collective bargaining had worked satisfactorily in Maharashtra and Southern Regions, and since the Central Government had announced their intention of appointing a Bonus Commission, did not feel it necessary to evolve a fresh bonus formula for the sugar factories in these regions. During the course of the Survey, information regarding the prevailing practices in respect of bonus payment to workers was collected and appears in the following paragraphs.

#### 3.5.1. *Annual/Year-end Bonus*—

The practice of paying annual bonus was found to be in vogue in about 46 per cent. of the sugar factories surveyed in the country. The proportion of such factories was cent. per cent. in Maharashtra, about 79 per cent. in Bihar, nearly 40 per cent. in U.P. and about 31 per cent. in Southern-India. In the Residual Group none of the factories surveyed were paying such bonus. The practice of paying annual bonus existed mainly in large factories only. In U.P., in particular, none of the small factories surveyed were paying this bonus. Since the basis of bonus payment differed from region to region details in respect of each centre are discussed below.

\* Report of the Central Wage Board for the Sugar Industry, 1960, pp. 128—132.



## *Uttar Pradesh*

The Central Wage Board had observed that bonus payment in all vacuum-pan sugar factories in U.P. was settled on a year to year basis through a Tripartite Committee representing the employees and the employers, with Labour Commissioner U.P. as the Chairman. Recommendations of the Committee were being implemented under the U.P. Industrial Disputes Act, 1947. At the time of the Survey, the last bonus paid in most of the factories related to the crushing season 1959-60 and, in a few to 1960-61. It was payable to all workers employed in the crushing season without any condition. The rate of bonus payment varied from factory to factory. It ranged between 8 and 43 per cent. of the earnings during the season in about 82 per cent. of the factories paying bonus and from 23½ days' to 2½ months' wages in the remaining 18 per cent. Data collected further show that in about 71 per cent. of the factories paying bonus, the entire amount of bonus had been paid in cash while in the rest, a part of the bonus had been paid in the form of National Saving Certificates or Prize Bonds.

## *Bihar*

There was no regular scheme for the payment of bonus in any factory and the payments were being made on a year to year basis as a result of voluntary bipartite or tripartite agreements. At the time of Survey, the last bonus paid related to the year 1959-60 for all except one factory where it had been paid for 1961. All workers employed in the crushing season were entitled to bonus without any condition. The rate of bonus paid varied from 15 to 22 per cent. of the earnings of the employee during the crushing season in about 87 per cent. of the factories paying bonus while, in the rest, 1½ months' basic wage had been paid as bonus. Bonus wherever paid was in cash.

## *Maharashtra*

Though all the factories surveyed were paying bonus, there was no regular scheme governing bonus payments which were being made on an *ad hoc* basis, from year to year. In about three-fifth of the factories, bonus had been paid at the discretion of the managements and in the rest (two-fifths) as a result of voluntary agreements between the employers and their employees. All employees employed during the bonus year and who had worked for a certain minimum number of days (varying from 30 to 120) during the crushing season, were eligible for bonus payment. The rate of bonus last paid, for 1960-61 in one sampled factory and for 1959-60 in the others, varied from factory to factory and ranged between 16 and about 28 per cent. of the basic wages earned during the bonus year. The bonus amount had been paid in cash in about 60 per cent. of the factories and in the rest (40 per cent.) a small portion of it had been paid in the form of National Saving Certificates.

## *Southern-India*

The system of paying year-end bonus existed in only three of the factories surveyed i.e. in about 31 per cent. of the sugar factories in the centre. In one factory, bonus was being paid to workers at the discretion of the management and had almost been paid regularly since 1943-44. All workers, without any condition, were eligible for bonus and the rate of bonus for the last bonus year i.e. 1959-60 was 35 per cent. of basic earnings (i.e. basic wages + D.A.) for

seasonal workers and 43·75 per cent. of basic earnings for other permanent workers. In the second factory also, the management had been paying bonus at their discretion almost regularly since 1937-38. All employees were eligible for bonus without any condition. The rate of bonus last paid i.e., for 1960-61, was 120 days' basic wages for daily-rated employees and 4 months' basic pay for monthly-rated employees. In the third factory, employees had been paid bonus since 1955-56, under a long term agreement between the management and employees. The rate of bonus last paid, i.e., for 1960-61, was 3½ months' basic pay and was payable to all workers who had completed at least 11 months' service. In all the three factories, bonus amount had been paid in cash.

### 3·5·2. *Profit-Sharing Bonus* -

Only one of the factories surveyed in the Residual Group was paying profit-sharing bonus to its employees. There was no regular scheme governing the payment of bonus but it had been paid almost regularly since 1956. The rate of bonus paid was one month's basic pay for profits between Rs. 3 to 5 lakhs per year, 2 months' basic pay for profits between Rs. 6 to 8 lakhs per year and 3 months' basic pay for profits above Rs. 8 lakhs. All those employees who had at least 25 per cent. of the attendances during the crushing season to their credit, were entitled to bonus payment. Further the full amount of bonus was payable to those workers only who had worked for at least 75 per cent. of the working days during the crushing season and the rest were paid proportionately.

### 3·6. *Fines and Deductions*--

The present Survey has shown that the practice of imposing fines on workers for certain acts of omission or commission existed in only three of the sugar factories surveyed, one of them being in U.P. and two in Southern-India. In the Industry as a whole, such factories constituted only about 4 per cent. of the total number of factories. The list of acts of omission or commission for which fines could be imposed was not approved by the concerned authority in one of the units. The amount of fine imposed was within the limits prescribed by the Payment of Wages Act. In the factory in U.P., as referred to above, no separate fine fund was being maintained as the amount collected was, reportedly, being credited to the welfare fund maintained in the unit. Register of fines as prescribed under the payment of Wages Act, was also not being maintained in the unit. In the two factories in Southern-India, only a paltry sum of Rs. 42·26 and Rs. 156·47 respectively stood in the balance of the fines fund, on 1st January 1962, and it had not been utilised for any purpose. Registers of fines, as required under the law, were, however, being maintained.

As regards deductions from wages, wherever made, were in accordance with the provision of the Payment of Wages Act.

The Survey has shown that in only about 25 per cent. of the factories employing contract labour, the principal employers were exercising some control over the payment of wages to contract workers.

## CHAPTER IV

### WORKING CONDITIONS

Working conditions obtaining in industries in India have all along attracted the attention of the Government of India as well as the State Governments. As a result, significant improvements in the conditions of work owe a good deal to the legislative enactments, particularly the Factories Act, 1948. The following paragraphs describe the state of working conditions in the Sugar Industry as observed at the time of the Survey.

#### 4.1. *Shifts*—

The Labour Investigation Committee, during the course of their enquiry had observed that the general scheme prevalent throughout the Sugar Industry was to divide a day into three shifts of 8 hours each in the manufacturing section. The shifts interchanged usually on every 4th day or 7th day.

The present Survey has shown that about 63 per cent. of the sugar factories in the country were working three shifts daily, about 25 per cent. one shift daily and the rest (i.e. 12%) worked two shifts daily. Speaking of different centres, all the factories surveyed in Bihar, Maharashtra and Southern-India, were working three shifts daily whereas in U.P. and the Residual Group of factories the proportion of such factories was about 45 and 52 per cent. respectively. None of the small factories surveyed worked three shifts—they had either one shift or two shifts. Details appear in Statement 4.1.

#### STATEMENT 4.1

*Estimated Percentage Distribution of Sugar Factories According to Number of Shifts.*  
(1962)

Centre	Total Number of Factories	Percentage of Factories working			
		One Shift	Two Shifts	Three Shifts	Night Shift
1	2	3	4	5	6
1. Uttar Pradesh .. ..	152	34.6	20.7	44.7	62.0
(a) Large Factories .. ..	68	—	—	100.0	100.0
(b) Small Factories .. ..	84	62.5	37.5	—	31.2
2. Bihar .. ..	33	—	—	100.0	100.0
3. Maharashtra .. ..	24	—	—	100.0	100.0
4. Southern-India .. ..	26	—	—	100.0	100.0
5. Residual .. ..	23	47.8	—	52.2	52.2
6. All-India .. ..	258	24.6	12.2	63.2	73.4

Night shift was being worked in about 73 per cent. of the factories in the Industry i.e. in all factories having three shifts and many of those working two shifts.

As regards amenities provided to night-shift workers, in Southern-India, such workers were being supplied free tea in all factories surveyed excepting one where they were being paid a night-shift allowance of 12 Paise per night shift worked. In no other centre, night-shift workers were enjoying any such amenity or allowance. However, a regular system of transferring workers from day shift to night shift and *vice versa* existed in about 94 per cent. of the sugar factories having night shifts i.e. in all such factories excepting a few small factories in U.P. The interval after which such a change-over was made, was a week in about 86 per cent. of the factories having night shifts, 2 days in about 7 per cent., 4 days in about 4 per cent. and a fortnight in the rest (i.e. 3%).

#### 4.2. Hours of work—

Data collected show that none of the sugar factories surveyed had more than an 8-hour day and 48-hour week. In fact, in nearly one-third of the factories, the daily hours of work were  $7\frac{1}{2}$  and the weekly hours of work were 45. It was further noticed that night shift hours were  $7\frac{1}{2}$  in nearly 44 per cent. of the factories having such a shift and 8 hours in the remaining units. Details appear in Statement 4.2.

STATEMENT 4.2  
*Daily Hours of Work in the Sugar Industry*  
(1962)

Centre	Total Number of Factories	Estimated Percentage of Factories where			
		Daily Hours of Work for Majority of Adult Workers were		Night-shift hours were	
		Equal to $7\frac{1}{2}$	Equal to 8	Equal to $7\frac{1}{2}$	Equal to 8
1	2	3	4	5	6
1. Uttar Pradesh ..	152	44.7	55.3	72.1	27.9
(a) Large Factories ..	68	100.0	—	100.0	—
(b) Small Factories ..	84	—	100.0	—	100.0
2. Bihar ..	33	10.6	89.4	10.6	89.4
3. Maharashtra ..	24	—	100.0	—	100.0
4. Southern-India ..	26	46.2	53.8	46.2	53.8
5. Residual ..	23	—	100.0	—	100.0
6. All-India ..	258	32.4	67.6	44.1	55.9

Contract labour, wherever employed, worked for the same hours of work as their counterparts employed direct except that, in Bihar, in the only factory (of those surveyed) employing contract labour, the hours of work for such workers were not fixed.

As regards the practice in respect of spread-over and rest interval in the sugar factories, the data collected appear in Statement 4.3.

## STATEMENT 4.3

*Estimated Percentage Distribution of Sugar Factories According to Duration of Spread-over and Rest Intervals, etc.*

(1962)

Centre	Total Number of Factories	Percentage of Factories where spread-over was for					
		Day Shifts			Night Shifts		
		Equal to 8 hours	More than 8 and up to 9 hours	More than 9 and up to 10 hours	Equal to 8 hours	More than 8 and up to 9 hours	More than 9 and up to 10 hours
1	2	3	4	5	6	7	8
1. Uttar Pradesh ..	152	51.7	27.6	20.7	72.2	16.7	11.1
(a) Large Factories	68	100.0	..	..	100.0	..	..
(b) Small Factories	84	12.5	50.0	37.5	..	60.0	40.0
2. Bihar ..	33	100.0	..	..	100.0	..	..
3. Maharashtra ..	24	100.0	..	..	100.0	..	..
4. Southern-India ..	26	100.0	..	..	100.0	..	..
5. Residual ..	23	52.2	47.8	..	100.0	..	..
6. All-India ..	258	67.3	20.5	12.2	86.1	8.3	5.6

Centre	Total Number of Factories	Percentage of Factories where Rest Interval was for							
		Day Shifts				Night Shifts			
		Equal to 1.2 hour	Equal to 1 hour	More than 1 and up to 2 hours	No Rest Interval	Equal to 1.2 hour	Equal to 1 hour	More than 1 and up to 2 hours	No Rest Interval
1	2	9	10	11	12	13	14	15	16
1. Uttar Pradesh	152	48.2	24.2	20.7	6.9	72.2	16.7	11.1	..
(a) Large Factories.	68	100.0	..	..	..	100.0	..	..	..
(b) Small Factories.	84	6.2	43.8	37.5	12.5	..	60.0	40.0	..
2. Bihar ..	33	10.6	..	..	89.4	10.6	..	..	89.4
3. Maharashtra	24	..	..	..	100.0	..	..	..	100.0
4. Southern-India.	26	46.1	..	..	53.9	46.1	..	..	53.9
5. Residual ..	23	..	47.8	..	52.2	..	..	..	100.0
6. All-India ..	258	31.4	18.5	12.2	31.9	41.1	8.3	5.6	42.0

It is apparent from Statement 4.3 that a rest interval of half-an-hour to more than 1 hour was being allowed to workers, during the day shift in about 65 per cent. of the sugar factories in the country. In the remaining 35 per cent of the factories, though officially there was no prescribed rest interval, generally workers could, with permission, take some time off for taking meals, tea etc. The daily spread-over of working hours did not exceed 10 hours in any of the factories surveyed. It was equal to 8 hours in about two-thirds of the sugar factories more than 8 and up to 9 hours in about 21 per cent. and more than 9 but below 10 hours in the remaining 12 per cent.

In factories having night shift, the duration of spread-over was equal to 8 hour in about 86 per cent., and exceeded 8 hours in the rest, all of which happened to be small factories located in U.P. In about 42 per cent. of the factories having night shift, there was no rest interval. In nearly 44 per cent., the same was equal to half an hour while in the remaining units (i.e. 14%), it was either one hour or more.

It was also observed that in some of the sugar factories, particularly small ones situated in U.P. and the Residual Group, prescribed timings of work were not being adhered to strictly.

#### 4.3. *Dust and Fumes—*

Handling of bagasse, crushing of lime stone, etc., were reported to be some of the processes giving off considerable dust in the sugar factories. As a precautionary step, all such processes had usually been isolated and, in about 9 per cent. of the factories, other measures such as provision of local or general exhaust system, suppression of dust by water had also been adopted. Sulphitation of sugar-cane juice was reported to be the common process giving off gas and was generally found to have been isolated. Local or general exhaust system had also been provided in about one-fifth of the factories. Gas masks or other similar equipment had been provided in only a few factories in Maharashtra, Southern-India and the Residual Group. As regards house keeping in the departments where processes giving off dust and gases were being carried on, the position was found to be unsatisfactory in about one-fourth of the factories having such processes. These factories were mostly located in U.P. and Bihar.

#### 4.4. *Seating Arrangements—*

Under the Factories Act, 1948, it is obligatory on the part of managements to make suitable arrangements for sitting for all such workers as are obliged to work in a standing position so that they may take advantage of any opportunity for rest which occurs in the course of their work. It was found during the Survey that about 30 per cent. of the sugar factories in the Industry, comprising nearly 58 per cent. of the factories in Maharashtra, 47 per cent. in Bihar and nearly 32 per cent. in U.P., had made seating arrangements. The most common reason advanced by employers for not providing seats, particularly in U.P. and the Residual Group of factories, was that neither they were aware of any such obligation on their part nor they had ever been told to do so. The other usual argument put forth was that any such provision would hamper the progress of work and impair the efficiency of workers.

#### 4.5. *Conservancy—*

The Factories Act, 1948, has made it obligatory for every factory to maintain an adequate number of latrines and urinals for the use of workers.

The present Survey has revealed that an adequate number of latrines had been provided in about 92 per cent. of the sugar factories, i.e., in all excepting nearly one-fourth of small factories surveyed in U.P. where such facility did not exist at all. The latrines were dry-type pan in about 51 per cent. of the factories, water-borne septic tank type in about 28 per cent., water-borne sewer type in nearly 13 per cent. and dry-type bore hole in the rest. In about 89

per cent. of the factories having latrines, they were of a permanent type with impervious floors and tarred or plastered walls. Water taps in or near the latrines were found to have been provided in about two-thirds of the factories having latrines. All the latrines had been screened properly to afford privacy. Among the factories employing women workers and providing latrines, separate arrangements for such workers existed in nearly three-fifths of them.

As regards urinals, the position was not as good as in the case of latrines, inasmuch as they existed in only about 63 per cent. of the sugar factories in the country. The proportion of such factories was the highest in Maharashtra (100%) and the lowest in the Residual Group (35%). In Southern-India, Bihar and U.P., the percentages were 67, 64 and 60, respectively. Excepting a few small factories in U.P., in all factories having urinals, the construction of the urinals was of a permanent type. Walls and floors of the urinals were, in general, impervious. In all but a few factories in Bihar, the urinals provided had been screened properly to afford privacy. Among the units providing urinals, none had any women workers on roll, and as such the question of making separate arrangements for such workers did not arise.

#### 4.6. *Leave and Holidays* -

Annual leave (i.e. earned leave) with pay is the only leave facility which is required to be granted by the employers to their employees as a statutory obligation under the Factories Act, 1918. All other types of leave facilities have come into vogue either as a result of mutual agreements between the employees and the employers or as a consequence of some awards. Statement 4.4. shows the types of leave and holidays that the workers in the Sugar Industry were enjoying at the time of the present Survey.

#### STATEMENT 4.4

#### *Estimated Percentage of Sugar Factories Granting Various Types of Leave and Holidays with Pay (1962)*

Centre	Number of Factories	Percentage of Factories Granting			
		Earned leave	Casual leave	Sick leave	Festival and National Holidays
1	2	3	4	5	6
1. Uttar Pradesh ..	152	62.0	44.7	44.7	75.8
(a) Large Factories ..	68	100.0	100.0	100.0	100.0
(b) Small Factories ..	84	31.2	..	..	56.2
2. Bihar .. ..	33	100.0	100.0	100.0	100.0
3. Maharashtra ..	24	100.0	100.0	100.0	100.0
4. Southern-India ..	26	100.0	76.9	76.9	100.0
5. Residual .. ..	23	100.0	34.8	52.2	100.0
6. All-India .. ..	258	77.6	59.3	61.2	85.8

#### 4.6.1. *Earned Leave*

The present Survey has revealed that excepting nearly two-thirds of the small factories in U.P., all other sugar factories surveyed were granting earned leave to their employees and they accounted for about 78 per cent. of the sugar factories at the Industry level. However, in about 43 per cent. of the sugar factories, in the Industry the practice was that employees, particularly seasonal workers, were not being actually granted leave and instead were being paid leave wages at the end of the season. This practice was prevalent in all the centres though to a varying degree. The proportion of such factories was 81 per cent. in Maharashtra, 52 per cent. in the Residual Group, 47 per cent. in Bihar, 37 per cent. in U.P. and 33 per cent. in Southern-India.

As regards the period of leave, qualifying conditions and the rate of payment, the management generally followed the provisions of the Factories Act. However, certain categories of staff, e.g., supervisory staff, employees getting pay above some fixed amount, permanent employees employed before 1948, etc., usually enjoyed better benefits, inasmuch as they were generally entitled to 30 days leave in a year on full normal pay.

With a view to assessing the extent to which the workers had actually enjoyed the benefit of earned leave, during 1961, data were collected in respect of such workers during the course of the Survey. The findings appear in Statement 4.5.

#### STATEMENT 4.5

#### *Estimated Number of Workers Granted Earned Leave with Pay in the Sugar Industry (1961)*

Centre	Average Daily Number of Workers employed in 1961	Number of Workers who enjoyed leave	Percentage of Workers who enjoyed leave to the total employed	Percentage of Workers who enjoyed leave						
				Up to 5 days	Over 5 up to 10 days	Over 10 up to 15 days	Over 15 up to 20 days	Over 20 up to 25 days	Over 25 up to 30 days	Over 30 days
1	2	3	4	5	6	7	8	9	10	11
1. Uttar Pradesh ..	50,475	22,919	45.4	40.5	17.0	18.6	11.1	8.1	2.2	2.5
(a) Large Factories ..	48,666	22,697	46.6	40.1	17.0	18.7	11.2	8.2	2.3	2.5
(b) Small Factories ..	1,809	222	12.3	81.5	18.5	..	..	..	..	..
2. Bihar ..	13,146	11,402	86.7	41.4	22.9	18.7	12.9	2.5	1.0	0.6
3. Maharashtra ..	10,881	6,435	59.1	6.0	30.2	28.5	11.3	9.8	7.1	7.1
4. Southern-India ..	17,181	11,343	66.0	7.0	18.4	14.8	18.1	27.0	9.7	5.0
5. Residual ..	7,476	2,210	29.6	9.1	12.9	41.7	16.2	8.6	6.5	5.0
6. All-India ..	99,159	54,309	54.8	28.3	19.9	19.9	13.2	11.1	4.3	3.3

The Statement 4.5 shows that nearly 55 per cent. of the employees in the Sugar Industry had availed themselves of earned leave with pay during 1961. The proportion of such workers was the highest in Bihar (about 87%) and the



lowest in the Residual Group (about 30%). The percentages for Southern-India, Maharashtra and U.P. were 66, 59 and 45 respectively. As regards the period of leave availed of, in U.P. and Bihar, comparatively more workers (about 41 per cent. in each case) had enjoyed leave upto 5 days only. In other centres, comparatively more of workers had enjoyed leave for longer periods.

#### 4.6.2. *Casual Leave* - -

There is no mention in the Report of the Labour Investigation Committee about the system of granting casual leave in any of the Sugar factories covered by them. However, during the present Survey, it was found that besides annual leave with wages, workers in about 59 per cent. of the sugar factories were enjoying the benefit of casual leave with pay (Statement 4.4). The practice was more common in Bihar and Maharashtra where all the factories surveyed were granting casual leave to their employees as against about 77 per cent. in Southern-India, about 45 per cent. in U.P. (all of which were of large size) and nearly, 35 per cent. in the Residual Group. As regards the categories of workers entitled to leave, conditions for eligibility and duration of leave, the practices differed not only from centre to centre but from factory to factory within the same centre. The position in different centres as observed at the time of the Survey was as follows:-

##### (a) *Uttar Pradesh*—

Generally all categories of workers were entitled to 6 days casual leave in a year ( $\frac{1}{2}$  day per month) with full normal wages. In some factories, supervisory staff and permanent (non-seasonal) workers were entitled to more number of days in a year i.e. varying from 7 to 20 days. While in some factories there was no condition laid down for entitlement to this leave, others had such condition as completion of at least one year's continuous service in the case of permanent workers and 15 days' service in the case of seasonal workers.

##### (b) *Bihar* - -

Excepting one sampled factory where all workers were entitled to 4 days' casual leave in a year without any pre-condition, in all other factories surveyed, only permanent workers were entitled to 8 days' casual leave in a year. For the duration of casual leave workers were paid their full normal wages.

##### (c) *Maharashtra* - -

The benefit of casual leave was generally available to non-seasonal workers only on completion of at least one year's continuous service in some factories and without any such condition in some others. The number of days allowed in a year varied from 8 to 12. In some of the factories leave could not be availed of for more than 3 or 4 days at a time. For the duration of casual leave workers were entitled to full normal wages.

##### (d) *Southern-India*—

The benefit was mostly available to staff members only. The number of days allowed in a year varied from 8 to 15. It was admissible on completion of at least one year's continuous service in some factories and without any such condition in others. The leave days were paid for at full normal wages including allowances, if any.

(e) *Residual Group* --

Of the three sampled factories granting casual leave, the same was admissible, in one factory, to clerical and watch and ward staff, only at the rate of 15 days in a year, in another factory, to all non-seasonal workers at the rate of 10 days in a year and, in the third factory, only permanent non-seasonal employees were entitled to 7 days' casual leave in a year. In all cases, workers were entitled to full normal wages during the period of leave.

4.6.3. *Sick Leave*—

It is estimated that in about 61 per cent. of the sugar factories in the country, workers were enjoying the facility of sick leave with pay (Statement 4.4). As in the case of casual leave, Bihar and Maharashtra were leading in the matter of sick leave also inasmuch as in these two centres the practice of granting sick leave existed in all the factories surveyed as against in about 77 per cent. in Southern-India, nearly 52 per cent. in the Residual group and approximately 45 per cent., all of large size, in U.P.

The benefit of sick leave was available both to seasonal and non-seasonal workers in all the factories granting sick leave in U.P. and Bihar, to non-seasonal workers only in most of the factories in Maharashtra and Southern-India and in all such factories in the Residual Group. However, the number of days allowed in a year was, in general, less in the case of seasonal workers as compared to non-seasonal workers. For example, seasonal workers were allowed only 6 days' sick leave in a year as against 10 days' allowed to non-seasonal workers in U.P. and 4 days' only as against 10 days, in Bihar. As regards conditions attached to admissibility of sick leave, non seasonal workers were usually entitled to it only on completion of one year's continuous service whereas in the case of seasonal workers this period of continuous service required varied from 15 days to one month. Production of medical certificate was also insisted upon in some of the factories granting sick leave. During the period of leave workers were entitled to full normal wages.

4.6.4. *National and Festival Holidays*—

The practice of granting national and/or festival holidays with pay existed in about 86 per cent. of the sugar factories in the country i.e. in all factories surveyed excepting some small factories in U.P. (Statement 4.4). Usually all categories of workers, excepting casual or daily-rated workers, were employed were entitled to these holidays, though in a few factories in Bihar, seasonal workers were being allowed only one holiday in the season as against 12 days in a year allowed to other employees. Similarly in one of the sample factories in Maharashtra, seasonal employees were not being allowed any paid holiday. In about 43 per cent. of the factories granting such holidays, the number of days allowed in a year did not exceed 10. It ranged between 11 and 15 days in nearly 27 per cent. of the factories and exceeded 15 days in the rest (i.e. 30%). Factories granting more than 15 holidays in a year were mostly located in U.P. where they accounted for about 52 per cent. of the factories granting such holidays. In most of the factories in U.P. and the Residual Group, and a few factories in Bihar and Maharashtra attendance on the preceding and/or

succeeding working day was necessary for claiming pay for the holidays. In other factories, no such condition existed. In all the factories granting national and/or festival holidays, workers were entitled to their full normal wages for such days.

#### 4.6.5. *Weekly offs*—

The Labour Investigation Committee had remarked that there were no regular close days for shift workers during the season. The shifts were so arranged that each worker got continuous rest for 32 hours every 12th or 13th day. In the off season, however, Sundays were observed as holidays. At the time of the present Survey, approximately 90 per cent. of the sugar factories in the country were complying with the provision of the Factories Act regarding the grant of a weekly day of rest to workers. The defaulting units\* were some of the small factories in U.P. It was also observed that, in one of the sampled factories in Southern-India, seasonal workers were not being allowed any weekly off. As regards the payment for the weekly day of rest, it was restricted to monthly-rated employees only and casual or daily-rated employees, wherever employed, were not entitled to such payment.

\*In quite a few, the versions of the managements and the workers differed, the claiming that a weekly day of rest was allowed while the latter denied the same.

## CHAPTER V

### WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various Committees and Commissions appointed from time to time, for enquiring into the working conditions of industrial labour in India, have never failed to pin-point the urgency and utility of ameliorative measures for promoting the welfare of the workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way improving the lot of the working class. Besides facilities provided in compliance to the law, there are many items of welfare which some of the employers have voluntarily undertaken for the benefit of their employees. Apart from humanitarian considerations, the importance of the provision of welfare amenities has been increasingly recognised from the point of view of preservation of the efficiency of workers which, in turn, contributes to higher productivity.

During the present Survey, an attempt was made to assess the extent to which the sugar factories in India had actually provided welfare facilities to their workers. The information collected in respect of various welfare activities (both obligatory and non-obligatory) is presented in the following paragraphs.

#### 5.1. *Drinking Water Facilities—*

The Labour Investigation Committee at the time of their enquiry had found that only some enlightened employers had made adequate arrangements for the supply of drinking water and in a large majority of cases, proper facilities for the supply of drinking water did not exist. The present Survey reveals a very significant improvement in this respect inasmuch as all the sugar factories surveyed were found to have made suitable arrangements for the supply of drinking water in the factory premises. The most common arrangement was in the form of water-taps which existed in about 47 per cent. of the sugar factories, though in some of them it had been supplemented with other arrangements like earthen pitchers and/or water-coolers. Details appear in Statement 5.1.

#### STATEMENT 5.1

#### *Drinking Water Facilities in the Sugar Industry*

(During, 1962)

Centre	Number of Factories	Estimated Percentage of Factories where Drinking Water Facility existed	Estimated Percentage of Factories where water was supplied through					Percentage of Factories having arrangements for cool water during summer
			Water Taps only	Water Tap and Earthen Pitchers	Tube-wells	Hand Pumps	Water Coolers only	
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	152	100.0	29.3	..	26.8	43.9	..	51.1
(a) Large Factories	68	100.0	50.0	..	44.4	5.6	..	83.3
(b) Small Factories	84	100.0	12.5	..	12.5	75.0	..	25.0
2. Bihar ..	33	100.0	21.2	31.8	47.0	..	..	63.6
3. Maharashtra ..	24	100.0	..	58.3	..	..	41.7	100.0
4. Southern-India ..	26	100.0	76.9	23.1	..	..	..	89.7
5. Residual ..	23	100.0	..	82.6	17.4	..	..	100.0
6. All-India ..	258	100.0	27.7	19.2	23.3	25.9	3.9	65.5

Presumably, keeping in view the hygienic considerations, the Factories Act prohibits the location of any drinking water point within 20 feet of latrines and urinals. It was found during the course of the Survey that in nearly one-fifth of the sugar factories in the country, drinking water points were located within the prohibited distance. The proportion of such factories was 48 per cent. in the Residual Group, 36 per cent. in Bihar, 21 per cent. in Maharashtra and 17 per cent. in Uttar Pradesh.

The Factories Act, 1948 provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during certain specified period of the year. On the basis of information collected, it is estimated that approximately three-fifths of the sugar factories in the Industry were under such an obligation and of these about 83 per cent. (comprising cent. per cent. in Maharashtra and the Residual Group, 67 per cent. in Southern-India, 64 per cent. in Bihar and 83 per cent. in U.P.) had actually made the arrangements. Some of the factories even though under no statutory obligation had also made arrangements for the supply of cool drinking water during summer months and thus, in the Industry, as a whole, such arrangements existed in about 65 per cent. of the sugar factories. Arrangements were in the form of earthen pitchers in about 42 per cent. of the factories having special arrangements and in the remaining 58 per cent., refrigerated water or ice-cooled water was being supplied.

### 5.2. *Washing Facilities—*

Under the Factories Act, 1948, it is obligatory for every factory to provide and maintain adequate and suitable washing facilities for the use of workers. The present Survey has shown that washing facilities existed in nearly 69 per cent. of the factories in the country. The factories which had lagged behind in this matter were mostly of small size and were located in U.P. Taps on stand pipes was the predominant arrangement which existed in about three-fourths of the factories having washing facilities. Other arrangements were in the shape of wash basins with taps or troughs with taps in a few factories in U.P. Among the factories providing washing facilities and employing women workers, separate arrangements for such workers, duly screened, existed in only one of the factories surveyed in Southern-India.

Some cleansing material like soap, soda, cotton waste, oil, etc., was being supplied in about 63 per cent. of the sugar factories having washing facilities. This proportion varied from about 17 per cent. in the Residual Group to nearly 89 per cent. in Bihar. In Southern-India, U.P. and Maharashtra, the corresponding percentages were about 77, 68 and 40 respectively.

### 5.3. *Bathing Facilities—*

The Factories Act does not contain any specific provision relating to bathing facilities but it authorises State Governments to make rules requiring certain types of factories to provide such facilities for certain categories of employees.

Survey results show that bathing facilities existed in about 35 per cent. of the sugar factories in the Industry. As regards different centres of the Industry, the proportion of such factories was about 53 per cent. in Bihar, nearly 42 per cent. in Maharashtra and 34 per cent. in U.P. about 23 per cent. in Southern-India and about 17 per cent. in the Residual Group. The facilities existed in more of large factories as compared to the small ones. Of the sampled factories providing bathing facilities, only one employed women workers and it had no separate arrangements for them. The conditions of the bath rooms provided was found clean in nearly four-fifths of the factories having bathing facilities.

#### 5.4. *Canteens*---

The Labour Investigation Committee had noticed that though canteens were not normally provided by the employers, facilities for having tea and light refreshments did exist in the neighbourhood of all factories visited by them. The arrangements were found to be unsatisfactory from the point of view of price and hygiene. Subsequently, under the Factories Act, 1948, State Governments were empowered to make rules requiring that in any specified factory wherein more than 250 workers are ordinarily employed, an adequate canteen conforming to the prescribed standards should be provided for the use of workers.

The present Survey reflects the salutary impact of the legislation since of the factories under an obligation to have canteen (i.e. 61%), as many as four-fifths had done so. In Bihar and Maharashtra, all the factories required to maintain canteens had done so. In Southern-India, U.P. and the Residual Group the proportion of such factories was about 87, 72 and 33 per cent. respectively. In Southern-India, a few factories though employing less than 250 workers, had also provided canteens and thus in the Industry as a whole, canteens existed in about 52 per cent. of the factories.

Every three out of five canteens served meals while the rest had arrangements for the sale of only tea, coffee, snacks, etc. All such factories where canteens existed were found to have made adequate drinking-water arrangements in the canteen halls.

About two-thirds of the canteens were being run by contractors, about 17 per cent. directly by the managements, nearly 11 per cent. jointly by the management and workers and the remaining few by the workers' unions. Canteen Managing Committees existed in about 49 per cent. of the canteens. Prices of various items sold in the canteens were being fixed by the Managing Committees in about 47 per cent. of the canteens, by the managements in about 25 per cent., by the contractors in about 20 per cent. and in the remaining 8 per cent. either workers' union, or management in consultation with the workers' union were responsible for fixing the prices. In about 42 per cent. of the factories having canteens, (comprising all such factories in the Residual Group nearly 89 per cent. in Bihar, about 49 per cent. in Southern-India and approximately 23 per cent. in U.P.), the managements were giving regular subsidy to canteens with the object of selling articles at cheap rates. In another 42 per cent. of the canteens, items were being sold at the market prices while the remaining canteens followed the no profit-no-loss basis.

It was also found during the course of the Survey that in about 47 per cent. of the factories having canteens, (comprising nearly 60 per cent. of such factories in Maharashtra, about 58 per cent. in Bihar, about 54 per cent. in U.P., about 11 per cent. in Southern-India) price lists of various items sold were displayed in the canteen halls.

Of the total estimated number of about 1·21 lakh workers employed in sugar factories having canteens approximately 25·6 thousand workers (or about 21%) were reportedly visiting the canteens daily. This proportion was the highest in Maharashtra (about 52%) and the lowest in U.P. (about 9%). It was also observed that in about 73 per cent. of the factories having canteens, the latter were located satisfactorily inasmuch as they were some distance away from the work places and their surroundings were clean. In nearly 64 per cent. of the factories, the hygienic conditions of the canteens were also found to be good. However, in the remaining factories (i.e. about 36%), they left much to be desired from the hygienic point of view.

#### 5·5. *Creches*—

The Labour Investigation Committee had found in 1944-45 that women were employed in only two of the sampled units of which only one was maintaining a creche. However, as a result of the Factories Act passed in 1948, it became obligatory for all factories employing more than 50 women workers to maintain a creche of a prescribed standard.

The present Survey has revealed that though women were employed in about 8 per cent\* of the sugar factories in the country, their number exceeded 50 in only one of the factories surveyed in Southern-India. However, even this solitary factory under a statutory obligation to provide a creche, had not done so.

#### 5·6. *Lockers*—

Lockers for keeping workers' clothings were found to have been provided by two of the large factories surveyed in U.P. and one in Southern-India, that is, in about 5 per cent. of the sugar factories in the country.

#### 5·7. *Rest Shelters*—

The Labour Investigation Committee had observed that some of the factories surveyed by them did not have rest shelters. Even where provided, they were so ill-equipped and ill-kept that they were un-popular with the workers. The Factories Act, 1934, which was in force at that time contained only an enabling provision under which the State Government could order any factory employing more than 150 workers to provide a rest shelter. However, with the coming into force of the Factories Act, 1948, the maintenance of rest shelters became obligatory for every factory wherein more than 150 workers were ordinarily employed. Provision of separate rest shelters for factories having canteens of a prescribed standard is, however, not obligatory.

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\*This percentage differs from that given in Statement 2·3 (i.e. 20·5%) because it relates only to such factories where women workers employed were covered under the Factories Act.

The present Survey has shown that only about 11 per cent. of the sugar factories in the country (comprising about 35 per cent. of the factories in the Residual Group, 12 per cent. in U.P. and nearly 10 per cent. in Southern-India), were required to provide rest shelters for the use of their workers as they employed more than 150 workers and had no canteens either. Of those, rest shelters had actually been provided by nearly one-third of them which comprised all factories in Southern-India, nearly 40 per cent. in U.P. and none in the Residual Group. As regards reasons for not providing rest shelters, some attributed it to lack of space and some stated that they had a plan to construct rest shelters from the next season. However, some of the factories in all centres but for the Residual Group, even though not required legally, had also provided rest shelters. Thus in the Industry as a whole, rest shelters existed in about 40 per cent. of the sugar factories. The proportion of such factories was about 81 per cent. in Maharashtra, 68 per cent. in Bihar, 56 per cent. in Southern-India and nearly 30 per cent. in U.P. In the Residual Group, rest shelters did not exist in any of the factories surveyed. It was further observed that in about 69 per cent. of the factories having rest shelters, the latter were not of the prescribed standard. In some factories, rest shelters were being used for stocking sugar bags. In about 62 per cent. of the factories the rest shelters provided did not have the facility of drinking water. Other defects noticed were lack of cleanliness in about 48 per cent. of the rest shelters, lack of sufficient light in about 30 per cent. and improper ventilation in about 28 per cent. In about 53 per cent. of the factories having rest shelters, some furniture like benches, tables, chairs, etc., had also been provided.

#### 5.8. *Recreation Facilities*—

No mention of recreation facilities was made by the Labour Investigation Committee in their Report. However, the present Survey has revealed that approximately 56 per cent. of the sugar factories in the country had provided some type of recreation facilities for their employees. In Maharashtra and Bihar, all the factories surveyed had provided these facilities as against about 52 per cent. of the factories in the Residual Group, nearly 45 per cent. in U.P. and about 31 per cent. in Southern-India. The facilities existed mostly in large factories and in U.P., in particular, none of the small factories surveyed had provided any recreation facilities. As regards the type of facilities provided, besides in-door and/or out door games which existed in all the factories having recreation facilities, radio sets had been provided in about 68 per cent. of them, dramas were being organised in about 43 per cent., arrangements for film shows existed in about 35 per cent. and religious and social functions were being organised in about 79 per cent.

In nearly four-fifths of the factories having recreation facilities, the cost of such facilities was being met either by the managements or from the welfare funds of the units. In the rest, these facilities were being financed jointly by the managements and the workers. In about 79 per cent. of the factories, the facilities were available to all workers while the rest afforded opportunities for recreation to only those who paid subscriptions. The facilities provided were being managed by the Labour Welfare Officers in about 47 per cent. of the factories, through a Committee in about 41 per cent., directly by the management in about 9 per cent. and by the workers' Union in the rest.



### 5.9. Educational Facilities—

As far back as in 1944-45, the Labour Investigation Committee had observed that educational facilities existed in a number of the sugar factories in the Country.

The present Survey has revealed not so depressing a state of affairs inasmuch as educational facilities existed in nearly one-third of the sugar factories. Bihar and Maharashtra were leading in this respect as in these centres, the proportion of such factories was 79 per cent. each as against nearly 25 per cent. in U.P. and 10 per cent. in Southern-India. In the Residual Group, none of the factories surveyed had provided any educational facility for the workers' children. The facilities existed mostly in large factories and in U.P., none of the small factories surveyed had this facility.

As regards the standard of the educational facilities provided, in Maharashtra and Southern-India all the factories having educational facilities had provided high schools. In U.P., the schools provided were of primary standard only in about 80 per cent. of the factories, high schools in about 10 per cent. While the remaining factories had provided education upto college level. In Bihar, high schools had been provided in about 73 per cent. of the factories having educational facilities while the remaining units had only primary schools. In the country, as a whole, high schools had been provided in about 52 per cent. of the factories providing educational facilities, primary schools in about 44 per cent. and in the rest, provision for college education had been made.

About 47 per cent. of the factories providing educational facilities did not charge any fee from the students attending the schools. The schools provided in these factories were mostly of primary standard only. In the remaining factories also (i.e. 53%), generally no fee was being charged from students of primary classes. Stationery articles such as slates and pencils were being supplied free in only one of the factories surveyed in Maharashtra. Factories which had not provided any school of their own but were giving regular subsidy to some other schools comprised about 10 per cent. These factories were located in U.P. and Bihar (where they formed about 15 and 11 per cent. respectively of the total number of factories).

Adult education centres existed in only two of the sugar factories surveyed, one each in U.P. and Maharashtra, comprising about 3 per cent. of the factories at the Industry level. Both the centres were located outside the premises of the factory.

### 5.10. Medical Facilities—

#### 5.10.1. Hospitals and Dispensaries—

The Labour Investigation Committee, at the time of their enquiry, had found that all the factories visited by them had provided dispensaries where free medical aid was given to workers and their families. The present Survey has shown that about 63 per cent. of the factories in the country, comprising all factories surveyed in Bihar, Maharashtra and Southern-India and about 52 and 45 per cent. of the factories in the Residual Group and U.P. respectively, had dispensaries/hospitals attached to them. Of these, nearly, four-fifths had

appointed full-time doctors and in the rest, part-time doctors had been appointed. Hours for which the part-time doctors were available every week varied from 2 to 24. Besides full-time or part-time doctors, other staff appointed generally included compounders, midwives, attendants and sweepers, etc.

In addition to the above units, workers in two of the small factories surveyed in U.P. could take, whenever necessary, medical treatment from the nearest available doctor, expenses for which were reimbursable by the managements. Taking these two units also into account, medical facilities can be deemed to be existing in about 67 per cent. of the sugar factories in the country.

Besides their normal duties, the doctors looked after the general sanitation in the factory, conducted medical examination of workers at the time of recruitment, attended to workers' families in the colonies, issued medical certificates for leave, etc. Among the factories providing medical facilities, contract labour wherever employed was entitled to the same quality and magnitude of medical facilities as labour engaged directly.

#### 5.10.2. *Ambulance Rooms—*

Under the Factories Act, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The rules framed by the State Governments prescribe the requirements of such rooms. The Survey shows that about 59 per cent. of the sugar factories in the country (consisting of all factories surveyed in Bihar and Maharashtra, about 54 per cent. in Southern-India, about 52 per cent. in the Residual Group and nearly 45 per cent. in U.P.), were under a statutory obligation to provide ambulance rooms. Of these, ambulance rooms had actually been provided by about two-thirds of the factories in the Residual Group, about 61 per cent. in U.P. and nearly 36 per cent. in Bihar, that is, by about 41 per cent. of the factories required to do so in the Industry as a whole. In Maharashtra and Southern-India, none of the factories required to provide ambulance room had actually done so.

In about three-fourths of the factories having ambulance rooms, the latter were under the charge of full-time doctors while in the remaining units, part-time doctors were looking after the ambulance rooms. It may, however, be stated that ambulance rooms provided were generally attached to the hospitals/dispensaries in the units and no separate staff exclusively for ambulance rooms had been appointed.

#### 5.10.3. *First-Aid*

The Factories Act, 1948 lays down that every factory shall maintain first-aid boxes at the rate of one for every 150 workers ordinarily employed. Standards have also been prescribed regarding the items to be provided in the first-aid boxes. The law further requires that such boxes should be readily accessible to workers during all the working hours.

The Survey has revealed that all the factories surveyed in Maharashtra and the Residual Group, about 90 per cent. in Southern-India, 89 per cent. in Bihar and about 76 per cent. in U. P. or about 83 per cent. of the sugar factories in the country had provided first-aid boxes for the use of their workers. Though it is mandatory that each first-aid box should be under the charge of a trained first-aider, it was found that in only 40 per cent. of the units having

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first-aid boxes, there were trained first-aiders. The corresponding proportion was about 51 per cent. in Southern-India, approximately 49 per cent. in U. P., nearly 47 per cent. in Bihar and about 17 per cent. in the Residual Group. In Maharashtra, though all the factories surveyed were having first-aid boxes, none had a trained first-aider. In about 89 per cent. of the factories having trained first-aiders, the latter had received training under St. John Ambulance.

The first-aid boxes were found to be complete in respect of their contents in only about 12 per cent. of the sugar factories having them. In the remaining 50 per cent. of the factories, the first-aid boxes were found to be deficient in one or more items. It was also noticed that in about 22 per cent. of the factories having first-aid boxes, they were not easily accessible to workers. These factories belonged to Bihar and U. P. where they constituted about 64 and 26 per cent., respectively, of the factories having first-aid boxes.

#### 5.11. *Transport Facilities*—

None of the sugar factories surveyed were providing any transport facilities to their employees. However, as already stated in Chapter III, para 3.4.5, transport or conveyance allowance was being paid to some employees in three of the sampled factories surveyed.

#### 5.12. *Other Amenities*

The Labour Investigation Committee had stated in their Report that due to the difficulties experienced by workers in securing adequate provisions, the employers had opened shops or co-operative stores. Prices charged were lower than those prevailing in the market. Some employers supplied grains at concessional rates.

The present Survey does not reveal any significant improvement in this direction since only two of the sampled factories, one each in U.P. and Southern-India, were running grain shops for the benefit of their employees. Credit Societies were found to be existing in about 15 per cent. of the sugar factories in the country, comprising all sampled factories in the Maharashtra, about 10 per cent. in Southern-India and nearly 7 per cent. (all of large size), in U. P. Co-operative Stores were being run in about 15 per cent. of the sugar factories in the country. Such factories were located in Maharashtra, Southern-India, U. P. and constituted about 79, 31 and 7 per cent. of the factories respectively therein. Multipurpose co-operative societies were in existence in only two of the large factories surveyed in U. P.

No financial assistance was reportedly being given by the managements to such societies in factories where they existed.

#### 5.13. *Housing Facilities*—

The only mention of housing facilities that the Labour Investigation Committee made was that most of the houses provided were one-room tenements with very poor standard of amenities like tap water, electricity, etc. The housing of seasonal workers was stated to be deplorable as the thatched huts meant for them provided very poor shelter against sun and rain.

The present Survey has revealed that, during 1962, about 65 per cent. of the sugar factories in the country had provided housing accommodation for their employees though the proportion of workers housed differed from factory to factory. It is significant to note that housing facilities existed in all the factories surveyed in Bihar, Maharashtra and Southern India against about 52 per cent. in the Residual Group and nearly 48 per cent. in A.F.P. In the latter, housing facilities existed in all large factories surveyed and in only 6 per cent. of the small factories. Details about the type of accommodation provided, rent charged, etc., are presented in Statement 5.2.

### STATEMENT 5.2

*Estimated Percentage of Factories Providing Houses, etc., in the Sugar Industry (1962)*

Centre	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses Consisting of			Percentage of Houses at different rates		
			One Room	Two Rooms	Three or more Rooms	Less than Rs. 100	Rs. 100 and above	Not specified
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	152	48.2	76.1	17.6	6.3	7.2	71.0	21.5
(a) Large Factories ..	68	100.0	76.0	17.6	6.4	..	76.4	23.5
(b) Small Factories ..	84	6.2	100.0	..	..	100.0	..	..
2. Bihar ..	33	100.0	87.0	12.2	0.0	..	53.0	47.0
3. Maharashtra ..	24	100.0	71.0	19.4	9.6	81.3	18.7	..
4. Southern-India ..	26	100.0	45.2	39.9	14.9	89.7	10.3	..
5. Residual ..	23	52.2	77.0	18.6	4.4	33.3	66.7	..
6. All-India ..	258	65.2	69.4	22.2	8.4	31.0	50.3	18.7

It would be seen from the Statement 5.2 that about 69 per cent. of the houses consisted of one-room tenements, about 22 per cent. of two-room tenements and the rest had three or more rooms. The position was more or less the same in various centres excepting Southern-India where the proportion of houses having two rooms was fairly large i.e., about 40 per cent. One-room tenements were being usually allotted to 'Production Workers' and Watch and Ward Staff (excluding supervisory staff), two-room tenements to clerical and supervisory staff of the low income group and houses consisting of three or more rooms were generally allotted to Professional, Technical and Managerial personnel. Of the houses provided, nearly four fifths were *pucca* built. The position was more or less the same in various centres excepting Bihar where approximately half of the houses were *kutchha* built. Of the factories providing housing facilities, about 50 per cent. charged rent from all the employees to whom housing accommodation had been provided, nearly 31 per

cent. did not charge any rent at all while in the rest, only some categories of workers such as Professional, Technical and Managerial personnel or workers provided with purely temporary hutments for the season were enjoying rent-free accommodation. Rent, wherever charged, was usually according to the rates recommended by the Central Wage Board for the Sugar Industry.\*

It has been estimated, on the basis of the Survey, that of the total number of about 1.54 lakh workers† employed in the Sugar Industry on 1st January, 1962, only about 55 thousand i.e., about 36 per cent. had been provided houses by the employers. This proportion was the highest in Maharashtra (about 56 per cent), followed closely by Southern-India (about 55 per cent.) and the lowest in the Residual Group (nearly 26 per cent.). Details appear in Statement 5.3.

### STATEMENT 5.3

#### *Estimated Percentage of Workers Allotted Houses in the Sugar Industry (1962)*

Centre				Number of Factories	Number of Workers Employed†	Percentage of Workers allotted Houses
1				2	3	4
1. Uttar Pradesh	..	..	..	152	77,653	29.0
(a) Large Factories	..	..	..	68	74,444	30.0
(b) Small Factories	..	..	..	84	3,209	5.1
2. Bihar	..	..	..	33	23,830	30.5
3. Maharashtra	..	..	..	24	17,059	56.3
4. Southern-India	..	—	..	26	22,056	55.1
5. Residual	..	..	..	23	13,860	26.2
6. All-India	..	..	..	258	1,54,458	35.7

It may be added that in some of the factories surveyed, particularly in Bihar and U.P., 5 to 6 persons had been accommodated in one-room hutments during the season.

No house-building facilities were being provided to the employees in any of the sugar factories surveyed.

\*"Report of the Central Wage Board for the Sugar Industry, 1960." P. 52.

†Covered under the Factories Act.

## CHAPTER VI

### SOCIAL SECURITY

From the Workers' point of view, a matter perhaps as important as the wages he gets, is the provision for his future. Largely as a result of statutory measures adopted by the Government of India, such as the Employee's Provident Funds Act, 1952 and, to some extent, with the implementation of the recommendations of the Central Wage Board for the Sugar Industry, 1960, workers in this Industry now enjoy a fair measure of social security benefits. The following paragraphs describe the existing position in the Industry as revealed by the Survey.

#### 6.1. *Provident Fund Schemes*—

At the time of the enquiry conducted by the Labour Investigation Committee, though provident schemes existed in quite a few factories visited by them, their scope was not extensive as, generally the permanent staff alone was eligible for the membership of the provident funds\*.

With the introduction of the Employees' Provident Fund Scheme in the Sugar Industry in July 1956, the provident fund benefit is now available to workers on a larger scale. Information collected during the Survey shows that provident fund schemes were operating in about 61 per cent. of the sugar factories in the country. Since the Employees' Provident Funds Act does not apply to all the units in the Industry and provides for exemption to some categories of them, the proportion of factories having the provident fund schemes in the various centres of the Industry naturally differed. This proportion was the lowest in Uttar Pradesh (about 45 per cent.), where the schemes were operating in all the large units but in none of the small factories surveyed. In Bihar and Maharashtra, all factories surveyed provided the facility of provident funds. Data collected further show that in about 81 per cent. of the factories having provident funds, the scheme was the Employees' Provident Funds Scheme and consequently the scope, rate of contribution and the conditions of eligibility were the same as laid down in the Scheme. However, in the remaining 19 per cent. of the factories, located in U. P., Maharashtra and Bihar, besides the Employees' Provident Funds Scheme, the managements were having their own schemes for the benefit of those of their employees as were not covered under the Employees' Provident Funds Act. Under these schemes, generally, all those employees who had completed at least one year's continuous service or were permanent, were admitted as members. The rate of contribution under these schemes was  $6\frac{1}{2}$  per cent. of basic wages and dearness allowance in some factories,  $8\frac{1}{2}$  per cent. of basic wages only in some others and  $12\frac{1}{2}$  per cent. of basic wages in still some others. Employers were contributing an equal amount in all the cases.

On the basis of information collected, it is estimated that approximately 1.25 lakh workers in the Industry i.e., about 81 per cent. of the total number of workers covered under the Factories Act, were members of the provident

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\*Report on Labour condition in Sugar Factories, p. 108.

funds schemes as on 1st January, 1962. Details about the percentage of factories having provident schemes, extent of membership, etc., are given in Statement 6.1.

### STATEMENT 6.1

*Estimated Percentage of Factories having Provident Funds Schemes, etc.  
in the Sugar Industry.  
(January 1962)*

Centre	Number of Factories	Percentage of Factories having Provident Funds Schemes	Percentage (of Col. 3) of Factories having		Total number of Workers* Employed as on 1-1-1962	Percentage of Workers who were Members of Provident Funds Schemes (of col. 6)
			Employees Provident Funds Scheme	Employees Provident Funds as well as other Schemes		
1	2	3	4	5	6	7
1. Uttar Pradesh ..	152	44.7	72.2	27.8	77,653	82.4
(a) Large Factories ..	68	100.0	72.2	27.8	74,411	86.0
(b) Small Factories ..	84	..	..	..	3,209	..
2. Bihar ..	33	100.0	78.8	21.2	23,830	86.4
3. Madhya Pradesh ..	24	100.0	81.2	18.8	17,059	81.2
4. Southern India ..	26	76.9	100.0	..	22,056	75.8
5. Residual ..	23	52.2	100.0	..	13,860	69.4
6. All-India ..	258	60.9	80.6	19.4	1,51,458	80.8

\*Covered under the Factories Act.

### 6.2. Pension Schemes

The Labour Investigation Committee did not find pension schemes operating in any of the units visited by them. The present survey has not recorded any significant improvement in this direction as only two large factories surveyed in U. P. were having pension schemes for some categories of their employees. In one of these factories, there was a regular pension scheme covering those employees only who had been employed before 1946. The rate of pension was 25 per cent. of the monthly basic wages and dearness allowance of an employee at the time of his retirement and full amount of pension was admissible only on completion of approved service of 25 years or 20 years on medical grounds. In the other factory, there was no pension scheme as such and only a few employees, such as head cashier, fireman, assistant clerk, etc. who had rendered meritorious service, had been granted some pension at the discretion of the management. However, in both the factories, the benefit of pension was in addition to the provident fund. The number of workers who were receiving pension on 1st January, 1962, was 18 in the former factory having a regular scheme and only 4 in the latter.

### 6.3. *Gratuity Schemes*

From the report of the Labour Investigation Committee on Labour Conditions in Sugar Factories, it would appear that of the 27 factories surveyed by the Committee, the system of granting gratuity existed in only two factories in Madras. Gratuity was generally given to those who were not members of the provident funds. In one of these factories, the rate of gratuity was  $\frac{1}{3}$ rd of a month's pay for every year of service between 5 and 20 years and  $\frac{1}{2}$  month's pay for every year of service over 20 years. In the other, gratuity was payable at the rate of 10 days' pay for each year of service provided the worker had put in 15 years, and 15 days' pay for each year of service in case the worker had put in 20 years.

Subsequently the Central Wage Board for the Sugar Industry, 1960, recommended a regular gratuity scheme for the whole of the Sugar Industry i.e., all vacuum-pan sugar factories to which the Board's recommendations related. The scheme known as Sugar Industry Workmen's Gratuity Scheme, 1960\*, came into force with effect from 1st November, 1960, and applies to all permanent and seasonal workmen. It provides for payment of gratuity in the events of (a) death (b) attaining the age of superannuation, (c) retirement or resignation due to continued ill health and (d) resignation or termination of employment for any reason other than for serious misconduct. The scale of gratuity recommended was as follows

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|--|---|--|
| <p>(a) On death while in employment irrespective of the length of service.</p> <p>(b) On attainment of the age of superannuation.</p> <p>(c) On retirement or resignation due to continued ill health.</p> | } | <p>One half of a month's pay to a permanent and one fourth of a month's pay to a seasonal workman for every continuous year or season of service, as the case may be, subject to a maximum of fifteen months' pay.</p>   |
| <p>(d) On resignation or on termination of employment for any reason other than for serious misconduct.</p>  | } | <p>(i) For the period prior to enforcement of this scheme, on completion of ten, but less than thirty years' or seasons' continuous service, as the case may be, one-third of the month's pay to a permanent and one-sixth of the month's pay to a seasonal workmen for every continuous year or season of service, as the case may be.</p> <p>(ii) For the period subsequent to the enforcement of this scheme on completion of ten years' or seasons' but less than 20 years' or seasons' service one-fourth of the monthly pay to a permanent and one eighth to a seasonal workman for every completed year or season of service and on completion of</p> |

\*Report of the Central Wage Board for the Sugar Industry 1960, p. 141.



20 years or season of service, but less than 30 years one-third of the monthly pay to a permanent and one sixth to a seasonal workman for every completed year of service.

(iii) On completion of 30 years' or seasons' continuous service as the case may be, the amount payable for events mentioned in clauses (a) to (c).

Since the scope of the present Survey extended to all sugar factories registered under the Factories Act and not necessarily to vacuum-sugar factories only, it was found that gratuity schemes, at the time of the Survey, existed in only about 47 per cent. of the sugar factories in the country. This proportion was the highest in Bihar, where gratuity schemes existed in all the factories surveyed, and lowest in Maharashtra (*i.e.*, about 19 per cent.). In other regions *viz.*, U. P., Residual Group and Southern-India, the percentage of factories having gratuity schemes was about 45, 35 and 31, respectively. It was observed that factories which did not have gratuity schemes were mostly small factories. In U. P., for example, none of the small factories surveyed had it.

In most of the factories having gratuity schemes, the scale of gratuity was as per the recommendation of the Wage Board.

On the basis of the data collected during the present survey, it has been estimated that about 900 persons in the Sugar Industry received gratuity during 1961.

#### 6.4. *Maternity Benefits—*

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories exist in almost all States under the various Maternity Benefit Acts passed by the State Governments. During the course of the Survey, information about the number of maternity claims made and paid during the year 1961 was collected from the sampled units employing women workers. Though women were employed in about 8 per cent.\* of the factories in the Industry, it was only in one of the sampled units in Southern-India that 6 maternity claims had been made and paid during 1961.

#### 6.5. *Industrial Accidents—*

The Workmen's Compensation Act, 1923, as amended from time to time provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment.

Information was collected during the Survey, in respect of the number and nature of accidents that occurred in the sampled establishments. On the whole, an estimated number of about 2 thousand workers were involved in industrial

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\*This percentage differs from that given in Statement 2.3 (*i.e.* 20.5%) because it relates only to such factories where women workers employed were covered under the Factories Act.

accidents in the Sugar Industry during 1961. The rate of accidents per thousand workers, based on the estimate of average number employed during 1961, as also distribution of workers involved by nature of accidents are given in Statement 6·2.

#### STATEMENT 6·2

#### *Estimated Distribution of Workers Involved in Accidents by Nature of Accident in the Sugar Industry (1961)*

Centre	Number of Factories	Percent- age of Factories where Accidents were reported	Average daily Number of Workers employed in 1961	Number of workers involved in Acci- dents per 1,000 workers employed resulting in			
				Death	Permanent Disability	Tempo- rary Disabi- lity	Total
1	2	3	4	5	6	7	8
1. Uttar Pradesh..	152	42·2	50,475	0·4	1·7	9·5	11·6
(a) Large Factor- ies ..	68	94·4	48,666	0·4	1·8	9·8	12·0
(b) Small Facto- ries ..	84	..	1,809	..	..	..	..
2. Bihar ..	33	100·0	13,146	..	1·4	20·1	21·5
3. Maharashtra ..	24	100·0	10,881	..	1·1	59·2	60·3
4. Southern-India	26	76·9	17,181	0·2	0·4	29·0	29·6
5. Residual ..	23	34·8	7,476	0·7	0·7	4·4	5·8
6. All India ..	258	57·8	99,159	0·3	1·3	19·3	20·9

It will be seen from the Statement 6·2 that, during the year 1961, accidents took place in nearly 58 per cent. of the sugar factories, and involved nearly 21 workers per thousand workers employed. It would appear that accidents were more frequent in Maharashtra where all the factories surveyed reported them and the number of workers involved in accidents per thousand workers employed was as high as about 60. In Bihar also, all the factories surveyed reported accidents but the number of workers involved in accidents was about 22 per thousand workers employed. Further, it seems that accidents were more common in large factories in all the centres. The number of workers involved in fatal accidents, reported by a few factories in U.P., Southern-India and the Residual Group was, of course, negligible. Those involved in accidents resulting in permanent disabilities also did not constitute any sizeable proportion. By far the largest number of workers involved, about 19 per thousand, was in minor accidents causing temporary disabilities.

#### 6·6. Occupational Diseases—

None of the units surveyed by the Labour Investigation Committee had reported any occupational disease afflicting the workers and so was the position during the present survey.

## CHAPTER VII

### INDUSTRIAL RELATIONS

Most of the causes that lead to industrial unrest have been operative in India ever since the establishment and growth of large-scale industries in the middle of the last century. Strikes were, however, not very common in the country prior to 1918-19 mainly due to an illiterate and unorganised labour force. The tempo of economic activity was considerably stepped up during the First World War and this led to mass awakening amongst the working class. Acute discontentment became increasingly manifest in most of the industrial centres in the country and consequently the Government could not continue sticking to the policy of *laissez faire* any more. From then onward, and particularly since the country's Independence, considerable thought and action have been devoted to matters pertaining to the improvement of labour management relations. Various Acts passed by the Government of India (Notably the Industrial Disputes Act, 1947) and the State Governments have gone a long way in improving industrial relations in the country.

During the present Survey, information was collected on some important aspects of industrial relations in the Sugar Industry and the findings are discussed in the following paragraphs.

#### 7.1. Industrial Disputes

Data pertaining to industrial disputes in the Sugar Industry were not collected during the present Survey since the same were already being received in the Labour Bureau. Such information in respect of the number of industrial disputes in the Sugar Industry and consequent loss of man-days since 1955 is given in Statement 7.1.

#### STATEMENT 7.1

*Number of Disputes resulting in Work Stoppages, Workers Involved and Man days lost in the Sugar Industry  
(From 1955 to 1962)*

Year					Number of Disputes*	Number of Workers Involved	Number of Man-days lost
1					2	3	4
1955	..	..	..	..	9	5,384	22,401
1956	..	..	..	..	10	8,742	36,112
1957	..	..	..	..	10	6,281	35,055
1958	..	..	..	..	11	4,958	25,103
1959	..	..	..	..	17	8,094	1,00,932
1960	..	..	..	..	7	3,654	42,352
1961	..	..	..	..	11	7,454	34,626
1962	..	..	..	..	8	1,935	17,410

\*Labour Bureau; 'Indian Labour Statistics, 1964'.

\*Resulting in Work stoppages on account of strikes or lockouts and involving 10 or more workers.

It would be seen from the Statement 7.1 that there was a considerable loss of man-days in the Sugar Industry particularly during the year 1959. This was mainly due to two major industrial disputes in U.P., which accounted for about 73 per cent. of the total man-days lost in the Industry in that year, over a charter of 36 demands of the workers coupled with inter-union rivalry.

### 7.2. Trade Unionism

Though trade unions existed in some of the sugar factories surveyed by the Labour Investigation Committee, the development of trade unionism in the Industry was not found to be satisfactory and the seasonal nature of Industry was stated to be the factor largely responsible for that. The Committee also deplored the attitude of the employers towards the development and functioning of healthy trade unionism\*. Information collected during the present Survey shows that workers had organised themselves into trade unions in about 61 per cent. of the sugar factories in the country. Bihar and Maharashtra were leading in this respect as trade unions were found to be existing in all the factories surveyed in these two centres. It was also found that trade unionism had developed more in large factories than in the small ones and in U.P., in particular, trade unions existed in all large but in none of the small factories surveyed. As regards membership of trade unions, Bihar was leading in this respect also, the proportion of workers who were members of the trade unions being as high as 90 per cent. of the total number of workers covered under the Factories Act. It was followed by U.P. where the corresponding percentage was 83 and that, too, when trade unions were non-existent in small factories. In the Industry, as a whole, it is estimated that nearly 79 per cent. of the workers were members of trade unions. Further details appear in Statement 7.2.

#### STATEMENT 7.2

#### *Extent of Trade Unionism in the Sugar Industry (January, 1962)*

Centre	Number of Factories	Percentage of Factories where workers were Members of Trade Unions	Number of Workers† as on 1.1.1962	Number of Workers who were Members of Trade Unions	Percentage of Factories where Trade Unions (some or all) were recognised
1	2	3	4	5	6
1. Uttar Pradesh ..	152	14.7	77,653	64,658 (83.3)	100.0
(a) Large Factories	68	100.0	74,444	64,658 (86.9)	100.0
(b) Small Factories	84	..	3,209	..	..
2. Bihar ..	33	100.0	23,830	21,396 (89.8)	100.0
3. Maharashtra ...	24	100.0	17,059	11,606 (68.0)	100.0
4. Southern-India ..	26	76.9	22,056	16,929 (76.8)	100.0
5. Residual ..	23	52.2	13,860	7,373 (53.2)	100.0
6. All-India ..	258	60.9	1,54,458	1,21,962 (79.0)	100.0

\*Report on Labour Conditions in Sugar Factories, p. 107.

†Covered under the Factories Act.

NOTE—Figures within brackets in column 5 are percentages of workers who were members of trade unions to the total number of workers covered under the Factories Act on the specified date.

A striking feature of trade unionism in the Sugar Industry, as revealed by the data collected, is that all the factories having trade unions had accorded recognition to one or the other representative union functioning in the factory. About 95 per cent. the trade unions were registered under the Indian Trade Unions Act, 1926. As regards multiplicity of trade unions in the Industry, in about 48 per cent. of the factories having trade unions, there was only one union, in about 46 per cent., two unions, while in the rest, three or four trade unions were functioning.

Trade unions, wherever existing, were discharging some functions, mainly with the object of promoting the interest of the workers. Securing claims of their aggrieved members under the various Labour Acts seemed to be their main preoccupation. In the Industry, as a whole, it is estimated that about 20 per cent. of the unions had provided some sort of recreation and/or welfare facilities for their members and about 13 per cent. of them were providing relief to their distressed members. Adult education does not seem to have attracted the attention of more than about 16 per cent. of the unions in Maharashtra and a few in U.P.

### 7.3. *Collective Agreements—*

In the course of the Survey, information was also collected in respect of collective agreements concluded since 1956 in the sampled establishments. It is estimated that such agreements had been concluded in nearly 39 per cent. of the sugar factories in the country. This proportion was the highest in Maharashtra (cent. per cent.) and the lowest in the Residual Group (about 17 per cent.). In other centres, *viz.*, Bihar, Southern-India and U.P., the corresponding percentages were about 79, 31 and 25, respectively. The subject matters of collective agreements covered a wide field such as payment of bonus and retaining allowance, grant of leave and holidays, increase in wages, implementation of Wage Board's recommendations, provision of accommodation to staff, provision of educational and medical facilities, etc.

### 7.4. *Standing Orders- -*

The Labour Investigation Committee, in their Report, mentioned the existence of Standing Orders in only four of the 27 (two each in Bihar and Madras) sugar factories surveyed by them. This is not surprising since framing of Standing Orders was not obligatory at that time. However, since the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders, for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment and redress of grievances, etc.

The present Survey, presumably, because of the impact of the legislation, reveals a significant improvement in this respect. It is estimated that nearly 63 per cent. of the sugar factories in the Industry, (comprising all factories surveyed in Bihar, Maharashtra and Southern-India, 52 per cent. in Residual and 45 per cent. in U.P.) were under a statutory obligation to frame Standing Orders and all of them had done so.

Excepting one sampled factory in Southern-India, where the Standing Orders had been sent to the State Government for certifications, in all factories having Standing Orders, the latter were duly certified by the competent authority. Standing Orders wherever framed, covered not only 'Production Workers' but clerical and watch and ward staff also.

#### 7.5. *Labour and Welfare Officers—*

It seems that the practice of appointing Labour and/or Welfare Officers in the Sugar Industry at the time of the Labour Investigation Committee's enquiry was not much in vogue, may be, due to the absence of any statutory provision therefor. The Committee had found that barring three units, two in Madras and one in U.P., none of the sampled factories had any Labour or Welfare Officer. With the enactment of the Factories Act, 1948, the appointment of Welfare Officers became obligatory for every factory wherein 500 or more workers were employed.

The present Survey has shown that but for one factory in Southern-India, all other sampled factories required to employ Labour or Welfare Officers had done so and they accounted for about 57 per cent. of the sugar factories in the country. This proportion was the highest in Bihar and Maharashtra (cent. per cent.) and the lowest in Southern-India (about 44 per cent.). In the remaining two centres, viz., Residual and U.P., the corresponding percentages were about 52 and 45 respectively. It may be of some interest to note that none of the factories surveyed and employing less than 500 workers had appointed any Labour and/or Welfare Officer.

These officers had a wide range of activities and were found to be performing all the duties prescribed in the Rules framed under the Act. Securing redress of workers' day to day grievances and maintenance of harmonious relations between the management and employees by acting as liaison officers, were their most important functions. They were also advising the managements in regard to matters connected with the proper implementation of various labour laws. Organisation and supervision of labour welfare and recreation activities also formed a part of their duties.

It was reported that in about 23 per cent. of the factories where Labour Welfare Officers had been appointed, they were appearing before Industrial Tribunals, Labour Courts, etc., on behalf of the managements, in cases of industrial disputes. The corresponding percentages of such units in Maharashtra, U.P. and Bihar where the above-mentioned factories were located, were approximately 81, 17 and 11 respectively.

#### 7.6. *Works Committees—*

Though the Royal Commission on Labour had, as early as in 1930, emphasised the vital role that Works Committees could play in providing a recognised means of consultation between managements and workers and thus eliminating the source of friction and inculcating a greater sense of responsibility and creative interest amongst the workers and managements, it was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government for the setting up of such committees. The Act empowers the appropriate Governments to prescribe that

Works Committees should be constituted in every industrial establishment employing 100 or more workers. From the Report of the Labour Investigation Committee, it appears that, at the time of their enquiry, none of the sugar factories had constituted any Works Committee. This presumption is based upon a complete absence of any mention of such Committees in their Report.

The Survey results show that though about 63 per cent. of the sugar factories in the country were employing 100 or more workers, Works Committees existed in only about 31 per cent. of them (or in nearly 20 per cent. of the factories in the Industry as a whole). Whereas in U.P., of about 45 per cent. of the factories employing 100 or more workers, none had set up any Works Committee, the proportion of factories having these Committees was the highest in Bihar (89%) followed by Residual Group (67%), Southern-India (33%) and Maharashtra (19%). The main reason put-forth by employers in U.P. for not setting up Works Committees was that no authority had ever directed them to do so. In other centres, the managements usually expressed their doubts about the practical utility of Works Committees as they could discuss all matters with the representative union and especially when the workers and their trade unions were not very particular about setting up of such Committees.

In all those factories where Works Committees had been constituted, they consisted of an equal number of representatives of employers and workers. From the information collected, it appears that most of the Works Committees set up were, reportedly, not meeting regularly due to lack of interest on the part of both the parties. While about 27 per cent. of the Works Committees had not met even once during the year, 1961, in about 59 per cent. cases, only one meeting had been held during this period and that, too, without transacting any business in some factories due to either lack of quorum or any specific agenda. Only in two sampled units in Bihar, Works Committees had met quite often, 6 times in one factory and 9 times in the other. Day to day matters of mutual interest such as improvement of amenities in workers' colony, repair of quarters, provision of drinking-water facility and bath rooms, supply of uniforms, etc. formed the subject matters of the discussions held in Works Committees' meetings. The decisions taken were usually implemented.

#### 7.7. *Production and Other Committees* —

Production Committees, for devising ways and means of increasing production and enlisting the co-operation of the workers therefor, existed in only one factory surveyed in Bihar. Safety Committees, for devising ways and means of minimising the occurrence of accidents by training workers in safety measures, existed in about 30 per cent. of the Sugar factories in the country, comprising nearly 53 per cent. of the factories in Bihar and about 40 per cent. in U. P. These Committees consisted of equal number of members of the workers and the managements.

#### 7.8. *Grievance Procedure*

When the Labour Investigation Committee conducted their enquiry, in most of the factories, barring a few where Labour Officers had been appointed, grievances of the workmen were attended to by the heads of departments and in certain cases, by the managers or the proprietors. The machinery was

alleged to be defective as, at times, very bad treatment was meted out to workers by their departmental heads and managers\*. However, with the enactment of Industrial Employment (Standing Orders) Act, 1946, it became obligatory for all factories employing 100 or more workers to frame Standing Orders, prescribing, *inter-alia*, the procedure to be followed for redress of grievances. As stated elsewhere in this Chapter, about 63 per cent. of the sugar factories in the country had framed Standing Orders and thus, a prescribed grievance procedure had been laid down in such units.

As regards the actual practice for redress of workers' grievances, it was found that in small factories, the workers usually brought all their complaints to the notice of the proprietor whose decision was final. In large factories, particularly those having Labour/Welfare Officers, all complaints were generally looked into by the Labour/Welfare Officers who could be approached either direct or through immediate supervisors. In case the complaints were not settled at their level, they brought them to the notice of the Manager whose decision was usually final though, in certain cases, workers could have access to the proprietor.

#### 7.9. *Association of Workers with the Management—*

The Survey has shown that none of the units surveyed had introduced any scheme for associating workers with the management.

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\*Report on Labour Conditions in Sugar Factories, p. 99.



## CHAPTER VIII

### LABOUR COST

Information pertaining to labour cost was collected from sampled establishments during the course of the present Survey, in respect of the employees covered under the Factories Act and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Costs in the European Industry, made by the International Labour Office in 1956. However, certain modifications were made in the light of certain peculiar conditions in India. For instance, in view of the fact that in India wages are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records of premium payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and recorded under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group, referred to above or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, *e.g.*, lay-off, retrenchment compensation, etc.

The Survey in this Industry started in January, 1962 and ended in August, 1962. With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible, for the calendar year 1961. If, however, the financial year of the establishment did not coincide with the calendar year, and it was not feasible to collect information for 1961, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that at least 6 months of the reference year (*i.e.*, Calendar Year 1961) were covered. The available data show that it was possible to collect information for the year 1961 from most of the units, the notable exception being Maharashtra, where it could be collected only for the year ended June, 1961.

#### 8.1. *Labour Cost Per Man-day Worked—*

Data in respect of man-days worked and the corresponding wages and other earnings of the workers were collected for the above-mentioned period. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy services, etc., representing the cost incurred by the

employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day worked has been worked out and is given in Statement 8·1.

## STATEMENT 8·1

*Estimated Labour Cost per Man-day Worked in the Sugar Industry  
(During 1961)*

								(In Rupees)
Centre								Labour Cost per Man-day Worked
1								2
1. Uttar Pradesh	..	..	..	..	..	..	..	5·02
(a) Large Factories	..	..	..	..	..	..	..	5·00
(b) Small Factories	..	..	..	..	..	..	..	2·18
2. Bihar	..	..	..	..	..	..	..	4·97
3. Maharashtra	..	..	..	..	..	..	..	5·26
4. Southern-India	..	..	..	..	..	..	..	4·87
5. Residual ..	..	..	..	..	..	..	..	3·75
6. All-India ..	..	..	..	..	..	..	..	4·91

The overall labour cost per man-day worked in the Sugar Industry has been estimated at Rs. 4·91. It was the highest in Maharashtra (Rs. 5·26) and the lowest in the Residual Group (Rs. 3·75). The labour cost incurred by employers in large factories was, in general, higher than that incurred by their counterparts in smaller factories and, in U.P., in particular the difference in this respect, was rather glaring.

### 8·2. Components of Labour Cost —

Statement 8·2 shows the distribution of labour cost according to major heads under which the data were collected.

## STATEMENT 8·2

*Estimated Labour Cost per Man-day Worked by Main Component in the  
Sugar (Industry During 1961)*

(In Rupees)

Centre			Wages	Premium Pay for overtime and Late Shifts	Bonuses	Other Cash Payments	Payments in kind
1			2	3	4	5	6
1. Uttar Pradesh	..	..	3·95 (78·68)	0·01 (0·20)	0·47 (9·36)	0·03 (0·60)	*
(a) Large Factories	..	..	4·00 (78·59)	0·01 (0·20)	0·48 (9·43)	0·03 (0·59)	*
(b) Small Factories	..	..	2·14 (98·16)	..	..	0·01 (0·46)	..
2. Bihar	..	..	4·02 (80·89)	0·04 (0·80)	0·37 (7·45)	0·02 (0·40)	*
3. Maharashtra	..	..	3·90 (74·14)	0·03 (0·57)	0·41 (7·80)	*	..
4. Southern-India	..	..	3·56 (73·10)	0·06 (1·23)	0·48 (9·86)	0·03 (0·61)	0·01 (0·21)
5. Residual	..	..	3·09 (82·40)	0·01 (0·27)	0·27 (7·20)	0·01 (0·27)	..
6. All-India	..	..	3·82 (77·80)	0·03 (0·61)	0·43 (8·76)	0·02 (0·41)	*

Centre	Social Security Contribution		Sub- sidies	Direct Benefits	Some other Pay- ments related to Labour Costs	Others	Total
	Obliga- tory	Non- obliga- tory					
1	7	8	9	10	11	12	13
1. Uttar Pradesh	..	0·25 (4·98)	0·02 (0·40)	0·25 (4·98)	*	0·04 (0·80)	5·02 (100·00)
(a) Large Factories	..	0·25 (4·91)	0·02 (0·39)	0·25 (4·91)	*	0·05 (0·98)	5·09 (100·00)
(b) Small Factories	..	..	0·02 (0·92)	..	*	0·01 (0·46)	2·18 (100·00)
2. Bihar	..	0·28 (5·63)	0·01 (0·20)	0·18 (3·62)	..	0·01 (0·20)	4·97 (100·00)
3. Maharashtra	..	0·22 (4·18)	0·01 (0·19)	0·62 (11·79)	..	0·04 (0·76)	5·26 (100·00)
4. Southern-India	..	0·19 (3·90)	0·02 (0·41)	0·51 (10·47)	*	0·01 (0·21)	4·87 (100·00)
5. Residual	..	0·17 (4·53)	..	0·18 (4·80)	..	0·02 (0·53)	3·75 (100·00)
6. All-India	..	0·23 (4·68)	0·02 (0·41)	0·32 (6·52)	*	0·01 (0·20)	4·91 (100·00)

\*Less than Re. 0·005.

NOTE—Figures within brackets are percentages to total.

### 8.2.1. *Wages*—

This component comprised basic wages and dearness allowance, incentive or production bonus and attendance bonus, if any, received by employees. It was desired by the Bureau to collect data, under this head, in respect of the man-days worked alone, but in the course of the pilot enquiry it was found that most of the employers did not maintain separate records of payments made for the days actually worked and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid, for the days worked as well as not worked but paid.

It would be seen from Statement 8.2 that 'Wages' accounted for about 77.8 per cent. of the total labour cost in the Industry. Amongst the various centres, this proportion varied from 73.1 per cent. in Southern-India to 82.4 per cent. in the Residual Group. In small factories in U.P., it was as high as 98.2 per cent. Further, the entire cost under the item 'wages' related to basic wages and dearness allowance or consolidated wages, as the case might be, and none of the sugar factories surveyed had incurred any expenditure on account of payment of incentive/production bonus or attendance bonus.

### 8.2.2. *Premium Pay for Overtime and Late Shifts*—

Under this group, only the premium part of pay for overtime work, late shifts, work on holidays, etc., was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and a half times his normal wages for the overtime work, the extra amount, i.e., one-half, was recorded against this item. The normal wages were included under the group 'wages'.

From the figures given in Statement 8.2, it would be seen that the labour cost on account of this item was not much and formed a very small proportion of the total labour cost in the Industry. It varied from Re. 0.01 per man-day worked in U.P. and the Residual Group to Re. 0.06 per man-day worked in Southern-India.

### 8.2.3. *Bonuses*—

Payments made in the form of festival, year-end, profit-sharing and any other similar type of bonus paid each year to the employees were recorded under this group. It would be seen from Statement 8.2 that the cost on account

of such payments in the Industry amounted to Re. 0·43 per man day worked and accounted for 8·8 per cent. of the total labour cost. This proportion was the lowest in the Residual Group (7·2%) and the highest in Southern-India (9·9%). In U.P., such cost had been incurred by large factories only.

Further analysis of the bonus payments, based upon information collected, shows that whereas in the Residual Group, the entire amount was in respect of profit-sharing bonus, in all other centres, the bonus payments related to year-end bonus alone.

#### 8·2·4. *Other Payments in Cash and Kind—*

Other cash payments were those which were made regularly such as house-rent allowance, servant allowance, deputation allowance, etc. Payments under this group accounted for 0·4 per cent. of the total labour cost in the Industry.

Payments in kind related to such items as supply of tea to night-shift workers, distribution of fuel, gur, oil, soda, etc. Its share in the total labour cost was negligible.

#### 8·2·5. *Social Security Contributions—*

The expenses incurred by employers on various social security measures constituted one of the major elements of the labour cost. Since the employers were statutorily obliged to undertake some of the social security measures, separate data were collected in respect of expenditure incurred on obligatory and non-obligatory social security contributions. The combined cost on account of this component of labour cost works out to Re. 0·25 per man-day worked or about 5·1 per cent. of the total labour cost. Its proportion in the various centres of the Industry was more or less the same and varied between 4·3 per cent. in Southern-India to 5·8 per cent. in Bihar. It is noteworthy that none of the small factories surveyed in U. P. were incurring any expenditure on this item of labour cost. Statement 8·4 gives details about the estimated cost of social security contributions under each item for which the information was collected.

## STATEMENT 8.3

*Estimated Cost of Social Security Contributions per Man-day Worked in the  
Sugar Industry  
(During 1961)*

(In Rupees)

Centre	Provi- dent Fund	Retrench- ment Compen- sation	Em- ployee's State Insu- rance Contri- bution	Obligatory			Mater- nity Benefits
				Compen- sation for lay-off	Compensation for		
					Employ- ment Injury	Occupational Diseases	
1	2	3	4	5	6	7	8
1. Uttar Pradesh ..	0.24 (96.00)	..	..	..	0.01 (4.00)	..	..
(a) Large Factories ..	0.24 (96.00)	..	..	..	0.01 (4.00)	..	..
(b) Small Factories ..	..	..	..	..	..	..	..
2. Bihar ..	0.27 (96.43)	..	..	..	0.01 (3.57)	..	..
3. Maharashtra ..	0.20 (90.91)	..	..	..	0.02 (9.09)	..	..
4. Southern-India ..	0.18 (94.74)	*	..	..	0.01 (5.26)	..	*
5. Residual ..	0.15 (88.24)	..	..	..	0.02 (11.76)	..	..
6. All-India ..	0.22 (95.65)	*	..	..	0.01 (4.35)	..	*

Centre	Obligatory			Non- obligatory	Total for Obligatory and Non- obligatory	Percentage of Social Security Contribu- tions to the total labour cost
	Depend- ents Allow- ance	Gratuity	Total			
1	9	10	11	12	13	14
1. Uttar Pradesh ..	..	..	0.25 (100.00)	0.02	0.27	5.38
(a) Large Factories ..	..	..	0.25 (100.00)	0.02	0.27	5.30
(b) Small Factories ..	..	..	..	..	..	..
2. Bihar ..	..	..	0.28 (100.00)	0.01	0.29	5.83
3. Maharashtra ..	..	..	0.22 (100.00)	0.01	0.23	4.37
4. Southern-India ..	..	..	0.19 (100.00)	0.02	0.21	4.31
5. Residual ..	..	..	0.17 (100.00)	..	0.17	4.53
6. All-India ..	..	..	0.23 (100.00)	0.02	0.25	5.09

\*Less than 0.005.

NOTE—Figures within brackets are percentages to total.

As the Statement 8·3 shows, the expenditure incurred by the employers on non-obligatory social security contributions was virtually insignificant and related mainly to gratuity payments. As regards the cost on account of obligatory social security contributions, provident fund contributions alone accounted for about 95·7 per cent. of it and the rest (4·3 per cent.) related mainly to payments on account of employment injuries under the Workmen's Compensation Act. The position was more or less the same in all the centres of the Industry. Though some factories in Southern-India had incurred some expenditure in connection with the payment of retrenchment compensation and maternity benefits, it constituted a negligible proportion of the total labour cost on account of obligatory social security contributions.

#### 8·2·6. *Subsidies—*

Cost to employers for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were; Medical and Health Care, Canteens, Restaurants and Other Food Services, Company Housing, Building Funds, Credit Unions and Other Financial Aid Services, Creches, Educational Services, Cultural Services (*e.g.*, Library, Reading Rooms, etc.), Recreational Services (Clubs, Sports, etc.), Transport, Sanitation (at Work places), Drinking Water Facilities, Vacation Homes, etc. The net amount spent, including depreciation but excluding any capital expenditure, was recorded. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately, for the above-mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8·4 gives details in respect of the cost on subsidies incurred by the employers in the Sugar Industry.

## STATEMENT 8.4

*Estimated Cost of Subsidies per Man-day Worked in the Sugar Industry  
(During 1961)*

(In Rupees)

Centre	Medical and Health Care	Canteen	Restau- rant and other Food Services	Com- pany Housing	Creches	Building Fund	Recrea- tional Services	Trans- port
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	0.08 (32.00)	*	..	0.10 (40.00)	..	*	0.02 (8.00)	..
(a) Large Factories	0.08 (32.00)	*	..	0.10 (40.00)	..	*	0.02 (8.00)	..
(b) Small Factories	*	..	..	*	..	..	..	..
2. Bihar ..	0.06 (33.33)	0.01 (5.56)	..	0.05 (27.78)	..	..	0.02 (11.11)	..
3. Maharashtra ..	0.11 (17.74)	0.01 (1.61)	..	0.31 (50.00)	..	..	0.01 (1.61)	..
4. Southern-India ..	0.15 (29.41)	0.04 (7.84)	0.06 (11.77)	0.20 (39.22)	..	..	*	..
5. Residual ..	0.03 (16.67)	*	..	0.10 (55.55)	..	..	*	..
6. All-India ..	0.09 (28.13)	0.01 (3.12)	0.01 (3.12)	0.13 (40.63)	..	*	0.20 (6.25)	..

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as a %

Centre	Sanita- tion	Drink- ing Water	Educa- tional Services	Cultural Services	Credit Unions etc.	Others	Total	Percent- age of Subsidies to the total Labour Cost
1	10	11	12	13	14	15	16	17
1. Uttar Pradesh	0.02 (8.00)	0.01 (4.00)	0.02 (8.00)	*	*	*	0.25 (100.00)	4.98
(a) Large Factories	0.02 (8.00)	0.01 (4.00)	0.02 (8.00)	*	*	*	0.25 (100.00)	4.91
(b) Small Factories	0.01 (50.00)	0.01 (50.00)	..	..	..	*	0.02 (100.00)	0.92
2. Bihar ..	0.02 (11.11)	*	0.02 (11.11)	*	..	*	0.18 (100.00)	3.62
3. Maharashtra ..	0.05 (8.07)	*	0.13 (20.97)	*	*	*	0.62 (100.00)	11.79
4. Southern-India	0.01 (1.96)	0.01 (1.96)	0.03 (5.88)	*	*	0.01 (1.96)	0.51 (100.00)	10.47
5. Residual ..	0.03 (16.67)	0.01 (5.55)	..	..	..	0.01 (5.56)	0.18 (100.00)	4.80
6. All-India ..	0.02 (6.25)	0.01 (3.12)	0.03 (9.38)	*	*	*	0.32 (100.00)	6.52

\*Less than Re. 0.005.

NOTE—Figures within brackets are percentages to total.



The cost of subsidies per man-day worked amounted to Re. 0.32 and constituted about 6.5 per cent. of the total labour cost in the Industry. This proportion was the highest in Maharashtra (11.8 per cent.) and the lowest in Bihar (3.6 per cent.).

The main item of expenditure was company housing which accounted for 40.6 per cent. of the total cost on subsidies. Medical and health care came next and formed about 28 per cent. of the total cost on subsidies. Other items of expenditure were educational services (9.4 per cent.), sanitation (6.3 per cent.), recreation services (6.3 per cent.), canteen (3.1 per cent.) drinking, water (3.1 per cent.), restaurant and food services (3.1 per cent.) and contributions towards building fund, cultural services and credit unions, etc., each accounting for a negligible proportion of the total labour cost. Absolutely no expenditure was reported to have been incurred on creches and transport facilities.

#### 8.2.7. *Direct Benefits* .

Direct benefits are those benefits which are paid by the employers directly to the beneficiary without any intermediary or external agency. Survey results show that expenses incurred by employees on this item were negligible at the all-India level.

#### 8.2.8. *Some other Payments Related to Labour Cost* .

Under this group, expenses relating to on-the-job medical services, cost of recruitment and remuneration paid to apprentices, incurred by the employers were recorded. The total cost incurred an account of all these items amounted to Re. 0.01 per man-day worked (Statement 8.2) at the Industry level.

#### 8.2.9. *Others* .

Under this head, only those expenses which could not be grouped under any of the heads or sub-heads of the labour cost items were recorded. They related to the cost incurred by the employers on account of protective clothings, pay of welfare officers and distribution of sweets wherever and whenever made. The total cost incurred on account of all these items amounted to Re. 0.03 per man-day worked (Statement 8.2) at the Industry level.

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## SUMMARY OF CONCLUSIONS

1.0. Sugar is claimed to be the second largest industry in India, being next only to Cotton Textile Industry. Though growing of sugarcane and manufacture of sugar therefrom have been practised in India from a very early period, the growth of the modern Industry is relatively of recent origin. The Tariff protection granted to the Industry during 1932 not only stabilised it but also paved the way for its expansion on a large scale. From only 31 factories in 1931-32, the number increased to 140 within the following four years and stood at 171 in 1959-60. Taking into account all the sugar factories registered under the Factories Act, 1948, there were 390 sugar factories in the country during 1962 with an average daily employment of about 1.26 lakh. The Industry is mainly concentrated in U. P. and Bihar.

2.0. On the basis of the present Survey, it has been estimated that, on the specified date i.e., 1st January, 1962, the Industry employed about 1.72 lakh workers of whom about 17 thousand workers were not covered under the Factories Act. The distribution of all workers (covered and not covered under the Factories Act), according to the broad occupational groups, shows that nearly 80 per cent. were 'Production and Related Workers' (including supervisory); 'Watch and Ward and other Services' accounted for about 10 per cent. of the total followed immediately by 'Clerical and Related Personnel' (including supervisory), who constituted about 8 per cent. 'Professional, Technical and Related Personnel', and a sprinkling of 'Administrative, Executive and Managerial Personnel' accounted for the rest. Child labour was entirely absent and the number of women employed was also negligible. Contract labour though employed in nearly 35 per cent. of the sugar factories, formed only about 5 per cent. of the total Production Workers in the Industry. Almost all the Production Workers were time-rated. The system of recruitment was direct for about 96 per cent. of the workers in the Industry—recruitment at the factory gate itself accounting for about 65 per cent.

2.1. The Survey results show that nearly 67 per cent. of the 'Production Workers' (employed directly) were seasonal, about 26 per cent. permanent and nearly 3 per cent. temporary. Casual, *badlis*, apprentices and probationers accounted for the rest.

2.2. It is estimated that approximately 27 per cent. of the directly-employed Production Workers in the Sugar Industry had more than 15 years' service to their credit on 1st January, 1962 and the proportion of those who had put in 10 years or more but less than 15 years of service was also considerable (about 19 per cent.). In Uttar Pradesh and Bihar, majority of workers had more than 10 years' service to their credit whereas in other centres a large majority had put in less than 5 years' service. In small factories, very few workers had been in service for more than a year.

2.3. The overall absenteeism rate among the Production Workers (employed directly) in the Sugar Industry, during 1961, was about 7 per cent. It was quite low during the season as compared to the off-season period. As regards

the different centres, absenteeism rate was the highest in Southern-India (about 10·8 per cent.) and the lowest in the Residual Group (4·5 per cent.). Usually, smaller factories registered a higher absenteeism rate than their large counterparts.

2·4. The Industry being seasonal in character, labour turnover data were collected separately for seasonal and non-seasonal Production Workers (employed directly) for the calendar year 1961. These data show that labour turnover was much higher among the seasonal workers than among the non-seasonal workers. The average monthly rate of accession and separation was each of the order of about 13·6 per cent. among seasonal workers and nearly 2 per cent. among the non-seasonal workers. As amongst different centres, labour turnover, both among seasonal and non-seasonal workers, was the highest in the Residual Group and the lowest in Southern-India. Most of the separations, both among seasonal and non-seasonal workers, were due to discharge or dismissal and the rest were due to quits, retirement or death.

2·5. About 41 per cent. of the sugar factories in the country, mostly large units, were providing training and apprenticeship facilities. However, the training was imparted on an *ad hoc* basis in nearly 85 per cent. of such factories and under regular schemes in the rest.

3·0. Nearly 95 per cent. of the workers in the Sugar Industry were being paid their wages once a month. Pay period for most of the remaining workers was a fortnight while the proportion of those being paid weekly or daily was negligible. The average daily earnings of 'All Workers' were Rs. 3·62 during January, 1962, while those of the 'Production Workers', who formed the bulk of the total working force, were Rs. 3·32. Women 'Production Workers', who were found employed in Southern-India only, earned, on an average, Rs. 2·15 per day as against Rs. 3·44 earned by their male counterparts. 'Watch and Ward' and 'Clerical Workers' earned Rs. 3·16 and Rs. 5·00 per day respectively. The average daily earnings of the lowest-paid 'Production Workers' were Rs. 2·88. It was further observed that the average daily earnings of workers in general, were the highest in Southern-India and the lowest in the Residual Group of factories. Also, workers' earnings were more in large factories, than in the small ones.

3·1. A break-up of earnings has revealed that they consisted almost entirely of basic earnings, i.e., basic wages and dearness allowance or consolidated wages. Nearly 63 per cent. of the Sugar factories were paying separate dearness allowance to their workers. In most of these units, the scale of dearness allowance was the same as recommended by the Central Wage Board for the Sugar Industry. The practice of paying annual bonus was in vogue in nearly 46 per cent. of the sugar factories, comprising all the factories surveyed in Maharashtra, about 79 per cent. in Bihar, about 40 per cent. in U.P., nearly 31 per cent. in Southern-India and none in the Residual Group. There was no regular scheme for payment of bonus and it was generally paid on an *ad-hoc* basis from year to year. Only one of the factories surveyed in the Residual Group had been paying profit-sharing bonus to its employees since 1956.

4.0. Nearly 63 per cent. of the sugar factories worked three shifts daily, about 25 per cent. one shift a day and the rest (12 per cent.) two shifts. Less than three shifts were worked in some of the factories in U. P. and the Residual Group of factories only, all of which happened to be small factories. Night shift was being worked in about 73 per cent. of the sugar factories. It was only in Southern-India, that night-shift workers enjoyed any amenity which was generally in the form of free tea. The practice of transferring workers from the night shift to the day shift existed in all such factories excepting a few small ones in U. P. None of the factories surveyed had more than an 8 hour day and a 48 hour week. In fact, nearly 68 per cent. of the factories worked for 8 hours a day and 48 hours a week while the rest (*i.e.*, 32 per cent.) for  $7\frac{1}{2}$  hours a day and 45 hours a week. Rest interval from half an hour to more than 1 hour was allowed to workers in approximately 65 per cent. of the sugar factories and in the rest, though prescribed timings of working hours did not provide for rest interval, workers were usually allowed time for taking tea, meals, etc. The spread-over of working hours did not exceed 10 hours in any factory. Such basic necessities as latrines and urinals existed in about 92 and 63 per cent. of the sugar factories respectively and the arrangements made were usually satisfactory.

4.1. The system of granting earned leave, or wages in lieu of actual leave facility, existed in nearly 78 per cent. of the sugar factories. Those not extending the facility to their employees, comprised a majority of small factories in U. P. As regards the period of leave, qualifying conditions and the rate of payment, the provisions of the Factories Act were generally followed by the managements. Nearly 55 per cent. of workers were found to have availed of earned leave during 1961. The proportion of such factories was the highest in Bihar (about 87 per cent.) and the lowest in the Residual Group (about 30 per cent.). The practice of granting casual leave to employees existed in nearly three-fifths of the factories. This practice was more common in Bihar and Maharashtra. Categories of workers allowed casual leave, qualifying conditions for entitlement to leave and the number of days allowed in a year varied from centre to centre. The facility of sick leave with pay was being enjoyed by workers in about 61 per cent. of the sugar factories. As in the case of Casual leave, Bihar and Maharashtra were leading in the matter of granting sick leave also since all the factories surveyed in these two centres were allowing such leave. Categories of workers allowed leave, number of days allowed in a year and the qualifying conditions prescribed differed from centre to centre. The practice of granting national and festival holidays existed in about 86 per cent. of the sugar factories, that is, in all excepting nearly half of the small factories in U. P. Approximately 90 per cent. of the sugar factories in the country were complying with the provision of the Factories Act regarding the grant of a weekly day of rest to workers. Those offending the law, in this respect were some small factories surveyed in U. P. Payment for the weekly day of rest was limited to monthly-rated workers only in all the centres.

5.0. Drinking water facilities, mostly in the form of water taps or hand pumps, existed in all the sugar factories surveyed during the Survey. In nearly one-fifth of the factories, the drinking-water points were found to be located

within the prohibited distance from the latrines and urinals. Washing facilities were available in about 69 per cent. of the sugar factories i.e., in all excepting nearly half of the factories surveyed in U. P. Bathing facilities existed in every one of three factories surveyed.

5.1. Canteens were found to have been provided in roughly four-fifths, of the factories required to do so. Since some sugar factories in Southern-India, even though employing less than 250 workers, had also provided canteens, the proportion of sugar factories in the country where canteens existed is estimated to be about 52 per cent. Besides the sale of tea, coffee, snacks, etc. arrangements for serving meals also existed in a majority of the canteens. About two-thirds of the canteens were being run by contractors and the remaining, either directly by the managements or jointly by the management and the workers or by the workers' union. Canteen managing committees were functioning in nearly 49 per cent. of the canteens and were usually responsible for fixing the prices of items sold therein. Location and hygienic conditions of most of the canteens were found to be satisfactory.

5.2. Only one of the factories surveyed in Southern-India which employed more than 50 women workers was under a statutory obligation to provide a creche but had not fulfilled its obligation. Of a small number of factories required to provide rest shelters, i.e. employing more than 150 workers and having no canteen only one-third had actually done so. However, since some factories employing less than 150 workers had also provided rest shelters, in the Industry as a whole rest shelters existed in about 40 per cent. of the factories. Most of the rest shelters provided did not conform to the prescribed standard.

5.3. Recreational facilities for workers existed in about 56 per cent. of the factories. As regards the type of facilities provided, besides indoor and/or out-door games, facilities for which existed in all of them, radio sets had also been provided in many of them. Film shows and other social and religious functions were also quite common. The costs of these facilities were usually met either by the managements or from the welfare funds of the establishments.

5.4. Educational facilities for the workers' children existed in about one-third of sugar factories. About 52 per cent. of these factories were running high schools, about 44 per cent. primary schools only whereas in the remaining few, facilities for college education existed. No fees were charged from children attending primary classes, and in a few factories even from high class students. About 10 per cent. of the sugar factories, which happened to be located in U.P. and Bihar, were giving regular subsidy to schools run by others. Adult education facilities existed in only two of the factories surveyed, one each in U.P. and Maharashtra.

5.5. Medical facilities in the form of attached dispensaries or hospitals were available to employees in approximately three-fifths of the sugar factories in the country. Besides, in two of the small factories surveyed in U.P., managements were reported to be reimbursing the medical expenses incurred by their employees. Of the factories, which were under a legal obligation to maintain ambulance rooms, about 41 per cent. had done so. Nearly four-fifths of

the sugar factories had provided first-aid boxes for the use of their workers. The boxes provided were, however, under the charge of trained first-aiders in only about 40 per cent. of the factories having first-aid boxes.

5.6. It is estimated that approximately 65 per cent. of the sugar factories had provided housing facilities to their employees though the benefit was not very extensive as only 36 per cent. of the working force had been housed. The proportion of workers provided with this facility was the highest in Maharashtra (about 56%) and the lowest in the Residual Group (about 26%). Most of the houses were one-room tenements.

6.0. Approximately 61 per cent. of the sugar factories had provident funds schemes for their employees. This proportion varied from about 45 per cent. in U.P. to cent per cent. in Bihar and Maharashtra. Nearly four-fifths of the total number of workers\* in the Industry were found to be members of provident funds. Pension schemes existed in only two of the large factories surveyed in U.P. and were meant for only some specific categories of workers. Gratuity schemes were in force in about 47 per cent. of the sugar factories in the country. In most of these factories, the scheme in force was the one recommended by the Central Wage Board for the Sugar Industry. Though women were employed in about 8 per cent. of the factories in the Industry, it was only in one of the sampled units Southern-India that 6 maternity claims had been made and paid during the year 1961. During 1961, industrial accidents took place in about 58 per cent. of the sugar factories involving nearly 2 thousand workers. It would appear that accidents occurred more frequently in Maharashtra as compared to other centres. An overwhelming majority of the workers involved in accidents had suffered only temporary disabilities, fatal accidents being rare. None of the factories surveyed had reported any case of occupational disease.

7.0. Statistics of industrial disputes show that the number of man-days lost during 1959, was considerable as compared to other years. Trade unions existed in roughly three-fifths of the sugar factories in the country and nearly 79 per cent. of the workers in the Industry were members of these unions. It would appear that trade unionism had developed more in Bihar where about 90 per cent. of the workers were members of trade unions. The favourable attitude of the managements towards unions is reflected by the fact that in all the sugar factories where workers were organised into trade unions, managements had accorded recognition to one or the other union in existence.

7.1. Collective agreements since 1956 had been concluded in about 39 per cent. of the sugar factories. This proportion was the highest in Maharashtra (100%) and the lowest in the Residual Group of factories (about 17%). All the sugar factories surveyed which employed more than 100 workers and were thus required to frame Standing Orders had done so and constituted about 63 per cent. of the sugar factories in the country. Besides 'Production Workers', clerical and watch and ward staff were also covered under the

Standing Orders. Of the factories under a legal obligation to appoint Labour/Welfare Officers, all excepting one of the factories surveyed in Southern-India, had done so and it is estimated that, in the Industry as a whole such Officers had been appointed in about 57 per cent. of the sugar factories. Works Committees had been constituted in only about 31 per cent. of the sugar factories employing 100 or more workers. The performance of sugar factories in U.P. in this respect, seemed to be rather poor since of about 45 per cent., of the sugar factories employing more than 100 workers, none had constituted a Works Committee. Prescribed grievance procedure existed in only about 63 per cent. of sugar factories i.e. in all which had framed Standing Orders.

8.0. Data relating to labour cost in respect of workers covered under the Factories Act and receiving less than Rs. 400 p.m. show that, during 1961, the cost per man-day worked in the Industry was Rs. 4.91. It was the highest in Maharashtra (Rs. 5.26) and the lowest in the Residual Group of factories (Rs. 3.75). Wages, i.e. basic wages, dearness allowance and incentive payments, if any, constituted the main component and accounted for 77.8 per cent. of the total labour cost. Other major components were bonuses, subsidies and social security contributions which accounted for about 8.8, 6.5 and 5.1 per cent. of the total labour cost respectively. Other items of expenditure were educational services, sanitation, recreation services, canteen etc.

## APPENDIX

### A BRIEF NOTE ON THE SAMPLE DESIGN AND THE METHOD OF ESTIMATION ADOPTED

#### 1. *Sample Design*—

For the Survey of Labour Conditions a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified, and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were divided into two size groups, i.e. large factories and small factories. The cut-off point used for the classification of units into two size-groups was 355 which was approximately equal to the average size of employment in the Industry.

Considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and 12½ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame, (ii) closures, and (iii) units changing their line of production, considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above-mentioned shrinkage in the sample size. Having thus increased the sample size, where necessary the units which were found to be closed or which had changed their line of production had been simply ignored and no substitution for such cases had been made.

Primary sampling units, namely, registered factories, mines or plantations within an industry/regional stratum, were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper size class and the rest in the lower size class. From these size groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected was the list of registered factories for the year 1959.

#### 2. *Method of Estimation*

In the course of the Survey various characteristics were studied, some of which were correlated with employment whereas there were others which were correlated not with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.



For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, etc., ratio of total employment was used as blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc. ratio of units was used as blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

In any stratum the estimate for the total of X-characteristic not correlated with employment is given by

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum X_{iu} + \frac{N_L - N'_L}{n_L - n'_L} \sum_i X_{il} \dots\dots\dots (1)$$

The summation extending over all the sampled units surveyed in the stratum.

- Where  $X$  = the estimated total of the X-characteristic for a particular stratum;
- $N_u$  and  $N_L$  = the number of units in the original population as featuring in the 1959 list, which was used as frame in the upper and lower size groups respectively of the stratum concerned;
- $N'_u$  and  $N'_L$  = the number of units which featured in the 1959 list but were not featuring in the latest available list nearest to the period of survey in the upper and lower size groups respectively of the stratum concerned;
- $n_u$  and  $n_L$  = the total number of units in the sample (from 1959 list) in the upper and lower size group respectively of the stratum concerned;
- $n'_u$  and  $n'_L$  = the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the stratum concerned;
- $X_{iu}$  and  $X_{il}$  = the total number of X-characteristic in the  $i$ th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of the industry.

In any stratum the estimate for the Y-characteristic correlated with employment is given by

$$Y = \frac{EN_u - N'_u}{E_{nu} - n'_u} \sum_i Y_{iu} + \frac{EN_L - N'_L}{E_{nL} - n'_L} \sum_i Y_{il} \dots\dots\dots (2)$$

The summation extending over all the sampled units surveyed in the stratum

Where  $Y$  = The estimated total of the Y-characteristic for a particular stratum.

$E_{N_u - N'_u}$  and  $E_{N_L - N'_L}$  = the total employment in 1959 in the  $N_u - N'_u$  and  $N_L - N'_L$  units respectively.

$E_{n_u - n'_u}$  and  $E_{n_l - n'_l}$  = the total employment in 1959 in  $N_u - N'_u$  and  $N_l - N'_l$  sampled units respectively.

$Y_{iu}$  and  $Y_{il}$  = the total number of Y-characteristic in the  $i$ th-sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of an industry.



